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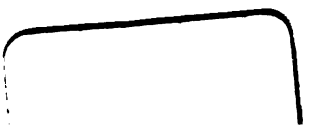

THE

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AND

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EDITED BY

WILLIAM B. DANA.

VOLUME FIFTY-FIVE,

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TO SUBJECTS CONTAINED IN THE

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THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

JULY, 1866.

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PRICE WITH AND WITHOUT VALUE.

C. H. CARROLL.

I AM glad of the reappearance of your old contributor, Richard Sulley, in the pages of the MERCHANTS' MAGAZINE. In former times I have been indebted to him for good ideas in Political Economy, and I find much to approve in his article in the May issue, just received, which is courteous in criticism of the article on the Balance of Trade contributed by me to the February number. I think I shall be able to convince him of the correctness of the principle to which he objects, that money cheapened by mining, being capital, is profitably exported, when in natural excess, in exchange for other capital; and is thus a source of national wealth, like everything else cheaply produced for foreign commerce—that is to say, over and above the home demand. I ought to have said it *is* national wealth, as well as the source of it. Money is a simple commodity governed by the same law of value and exchange as all other commodities and all other capital.

In the present stage of political economy there is an unaccountable tendency among thinkers to look beyond the facts experience has established (which constitute true science) into the regions of speculation and obscurity for truth that lies at our feet. It seems to be given over, at present, to metaphysical abstractions and scholastic subtilties that appall practical minds, and render the science of little or no use in the conduct of government or of the business of life. By this sort of treatment two points of great national inexplicity have been most thoroughly *obfuscated* namely, *money* and *value*; and Mr. Sulley, I think, has not altogether escaped the occult influence of such teaching.

He says:—"The opinion that money (gold and silver) is capital, and that we get value for it when it is exported in the usual course of trade,

is not peculiar to Mr. Carroll, although it has been incidentally combatted in the pages of the MERCHANTS' MAGAZINE. Nevertheless all the claim it has to be considered capital, arises from its powers of saving labor by facilitating exchanges; but paper money, where it *has* value, is just as good as gold; and the only reason why gold is preferred for exportation is because its value is intrinsic, and therefore universal, while that of paper money is only imputed, and therefore local."

This argument is founded upon the abstration that money is merely a medium of exchange, and everything professing the quality of a medium of exchange is money: hence paper, stamped or issued by government, or by corporations, is money. On this theory overvalued tokens are money and wealth, because money is wealth, and the Spartans were as rich with their iron currency as if they had earned and possessed its weight in gold But money is no such abstraction. It is not merely a mediùm of exchange, but also an object of exchange, the product of labor and capital, from which it derives its attribute of value, and by reason of which it is the equivalent of other products of labor and capital. Without this equivalence there is no money, and with it a thing is not money, unless it is acknowledged and accepted as such in absolute payment of intrinsic value, by the commercial world.

Money was discovered or invented in the unknown past: its use and its meaning were established before the records of history, and the common sense of mankind determines what is money to day with more accuracy than the most profound disquisitions of the most learned political economists. Indeed these learned men acknowledge the corruption of the word, and concede the argument to common sense, when they use the term *real money.* What is not real money? Why, spurious money—no money at all. And such is a currency of debt, which expels money, and is an incubus upon the capital of the country. It pays nothing, but requires continually to be paid in money or in other capital, and when this requirement becomes urgent, its issues assume the position of preferred creditors, take possession of the money and floating capital of the public, to the extent of their requirement, and plunge other debtors into insolvency and ruin. There is nothing of this nature in money.

"But," Mr. Sulley says, "paper money where it *has* value is just as good as gold." Let me assure him there is no place where it *has* value. The element of value does not exist in a paper currency, nor in any other description of debt whatever. The value to which all debt relates is the property appropriated to pay it. There cannot be two values embracing one and the same thing; one in an estate and another in the deed of conveyance which certifies its ownership, or in the instrument of mortgage upon it. The term "paper money" is a ridiculous sophism; there can be no such thing. The dollar, which in this country the maker of the paper promises to pay, is 23.22 grains of pure gold; the gold is the money, not the paper; and the value is in the gold, not in the paper. Gold being acknowledged and accepted as a common equivalent of other values all the world over, an equivalent of gold in other capital is capable of discharging an obligation to pay gold. The notion that there is the value of a dollar in a memorandum of a contract—a written promise to pay a dollar—is the delusion upon which rests the whole scheme of factitious credit miscalled "paper money." The amount of bank notes,

as such, is of no consequence in the consideration of this question. The bank, having no value to lend, lends promises to pay dollars of value which have no existence, and whether it inscribes this factitious credit on a piece of loose paper for circulation, or on a book of account to be circulated by check, makes not the slightest difference in principle or effect. Hence deposits in bank, subject to check at sight, are currency as completely as bank notes deposited in one's pocket. Naturally, the same proportion of currency as of capital will be at rest, in the long run, waiting demand somewhere.

In what is called the *credit system*, the currency is based on commercial notes, by which the trade of the country, that with a currency of money would be a cash system, is forced through debt and credit. Under the credit system the same value in raw material, or in the process of manufacture, is frequently sold several times over on credit. The amount of needless debt thus created can scarcely be conjectured; but the daily settlements at the Clearing Houses show that it is enormous. Does Mr. Sulley, or does any one, imagine that this vast debt, whether needless or otherwise, is *value* to be added to the inventory of the property of the country? This would be necessary, on principle, if there were value in a paper or debt currency. I do not understand the significance of the term "imputed value," unless it means spurious value. It seems to me there must be either value or no value in every thing. Debt circulates in its evidences, not for the value it is, but for the value it promises.

Mr. Sulley appears to have overlooked, or perhaps does not remember, an explication of this thing called "paper money," showing the fallacy of the notion that it is as good as gold, that, without reference, I am sure I have furnished in some one or more of my contributions to this Magazine. Let me repeat the idea in another example. It happens that the aggregate price of the property of this country, and doubtless of other countries, is always about twenty-five times the sum of the currency. Let the volume of currency vary as it may, the price of the whole property in due time rises and falls accordingly, not equally, but in the aggregate. Things in the most immediate request rise first, and in the greatest proportion. If one thing does not advance in due proportion, something else advances more than the due proportion, and thus the currency is duly employed and the average completed. The circulating capital is in the ratio, approximately, of 10 to 1; the fixed capital 10 to 1; and the unproductive and enjoyable wealth, which is not capital, is as 5 to 1 of the currency, making 25 to 1 in all, as before mentioned. This is an approximate calculation that is, perhaps, as nearly correct as an estimate of the kind can be made. At all events, it is sufficiently accurate for my acquirement.

In the last census year, 1860, the currency of this country, including California, amounted to about $640,000,000; consisting of say $486,000,000 net liabilities of banks, payable on demand, i. e., notes and deposits and balances due to other banks, deducting specie reserves, $4,000,000 of counterfeit currency, and $200,000,000 of money in and out of bank and free of hoards. Had this currency been money exclusively the wealth of the country would have been in money value as stated in the census, $16,000,000,000, divided as follows:

Circulating Capital, comprising money and all value seeking to be exchanged....$6,400,000,000
Fixed Capital, comprising property employed for purposes of gain not seeking to be exchanged 6,400,000,000
Unproductive Wealth, comprising money in hoards, houses, furniture, &c., in use by their owners, and pleasure property *per se* 3,200,000,000

But money proportionate to other capital was absent to the amount of $440,000,000, the value of the circulating capital was, therefore, but $5,960,000,000, and of the total wealth but $15,560,000,000. There is a question of equivalence here that invites discussion, but which is not essential to our present argument. My belief is that because of the deficiency of $440,000,000 in the circulating capital there was a deficiency of the other two classes of wealth in the same proportion, because the equivalent of fiction can be nothing but fiction.

Let us now assume, for argument's sake, that this currency of $640,000,000 consisted of gold and silver exclusively, there being no such thing as fictitious credit to circulate in either notes or checks. It is obvious, then, that the buying and selling of goods must have been for cash, otherwise the currency could not be employed; and the borrowing and lending of capital would have been done by and through the banks instead of by buying and selling goods on credit. At this point of pure money currency we will suppose that we begin the credit system of making currency through banking on commercial notes. This requires the buying and selling of goods on credit to produce the notes for discount; and suppose we pursue this plan of running in debt to each other for existing capital, and getting notes discounted until we have an aggregate of $640,000,000 of "deposits" to our credit in bank, over and above all the deposits existing before. This gives us $1,280,000,000 of "money," instead of $640,000,000, or double the "money" to circulate the same capital; and the price of the whole property necessarily rises from $16,000,000,000 to $32,000,000,000! Where does this additional $640,000,000 of money come from? and where does the additional $16,000,000,000 of property come from? There is no such thing as either. The whole addition is pure fiction. There is no value in the money or currency above $640,000,000, and no value in the whole property above $16,000,000,000; all the rest is price without value, the merest moonshine in the world. That which costs nothing to any one is like air and solar light, no value and no wealth.

But the effect of this spurious money, while it is interchangeable with real money, is to reduce the value of gold and silver, locally, one-half. Two dollars possess no more purchasing power than one possessed before, and of course the export demand of commerce is changed from our merchandise to our money, because the local depreciation of its value here has no effect upon its value abroad until the money gets there and enters into general circulation, when it becomes merged in the vast volume of currency in all other commercial countries, and has scarcely an appreciable effect on the general value of the money of the world. Not a particle of business can be done with the double volume of currency more than was done with half the amount before, only what is done will be at double the natural price, and people will run in debt at double the natural price, so long as the double volume of currency can be maintained, which is longer, under specie payment, than Adam Smith with his disciples have supposed. How long, depends upon the quantity of gold and silver in the country to begin

with, and support the drain, and upon the unreasoning confidence of the public in the "paper money." If people generally do not call upon the banks for payment, the banks will supply additional currency by new discounts as fast as the money can be exported, because it is for their interest to do so, as they get additional interest on every additional factitious dollar they make. I censure not them, but their system, for this.

The principle of this currency is that the bank lends you a contract to pay money and value that have no existence, and throws upon you the obligation to meet that contract, under bond and security, to provide the institution with funds to discharge the same when it shall be called upon to do so. Of course the loan is made upon some specified time, but that time is arranged upon the principle stated, that the bank shall be put in funds to meet the impossible contract, which in the end is inevitable bankruptcy somewhere; since, the moment the banks withdraw any portion of their currency, they contract the measure of price, leaving the debts made by the old measure to be discharged by the new, under which the assets fall in price and become insufficient to discharge the obligations resting upon them. The experience of England with the financial crisis, while I write, in May, is a practical illustration of this pernicious and preposterous principle. The Bank of England is the mother of it, and it is astonishing that the accomplished merchants and bankers of England do not see the impossibility of meeting the contracts she impose upon them.

I think I have said enough to meet Mr. Sulley's remark, that "where paper money *has* value, it is just as good as gold." I hope he will see that it has no value under any circumstances. The effect of this spurious money upon the capital of the nation is the loss of every dollar of gold or silver shipped under the degradation of the value of money which it causes, because the imports are advanced in price by that degradation, in common with all other descriptions of capital, and it is the amount of the degradation that is sent abroad in gold and silver. Real money is thus paid to foreigners for a false price. This important practical result, which all the metaphysical economists have overlooked, I am happy to see that Mr. Sulley understands; but I do not see how so good a thinker can imagine that the same result follows the local increase of gold, or that a paper currency is even capital in the hands of an individual or of the community. "Out of nothing, nothing is generated. This," says De Quincey, "is pretty old ontology." And when nothing is substituted for capital in gold exported, it is very clear that the capital is lost, which would not be the case if the paper were capital.

The unsophisticated truth is that the individual who accepts a bank note for his goods parts with his capital for that which has no value, and is therefore no capital. He lends his capital on the note, and is no more paid for his goods than if he had accepted his customer's note for them. He cannot thus eat his cake and have it too. He cannot part with his capital and possess it at the same time. He it is who lends capital in this business, and not the bank; and he it is who pays the interest which is included in the price of whatever he purchases. When he wants to recover his capital, he parts with the paper promise and gets value for it; he is then paid in the value received for the value delivered, and not before, and the exchange which was only half way made before is then complete. Should the bank happen to burst while he holds its note, I think Mr.

Sulley will see that in holding the note he does not hold his capital, and is not paid. Hence the note is not and never was capital.

Mr. Sulley's error, or what I conceive to be his error on this point, lies in the following statement. I say, what I conceive to be his error, for I am open to conviction, and always intend to give heed to respectful witicism, such as I find in the writings of Mr. Sulley:

"Money, no doubt, whether of paper or the precious metals, is capital in the hands of individuals; but a larger or smaller quantity makes no difference in the capital of a nation; and if it be of gold, and is exported from excess, the nation will get nothing in return for it. If it increases in a greater ratio than other commodities, it must of necessity depreciate, as no condition of cheapness will induce an adequate consumption. This has been sufficiently shown by M. Chevalier, both from French and English statistics. It must therefore be exported in price *without value*; that is to say, without any return being made for it in the imports. Consequently to the nation that produces the precious metals, while at the same time it produces large quantities of other commodities for exportation, the production of the metals will be just so much loss. This is the evil of a *fixed standard* of value."

In making these remarks, Mr. Sulley overlooks the fact that all values are reduced, specially, by an increase of supply. The wealth of the world accumulates in this manner. What if the crops of grain are doubled this year in this country? Will not the bushel of grain fall in value as well as in price? That is to say, will it not exchange for less of commodities in general as well as for less money than before? Obviously, any exported excess of grain commands desirable capital in exchange, which is just so much added to the wealth the nation possessed before that excess was produced. And why is not this principle applicable to gold and silver? The miner who digs gold improves his fortune like the miner who digs iron, and as much as he adds to his own wealth by his labor he adds to the wealth of his country. But, be it observed, the gold must be produced in excess to supply the quantity exported; it must not be merely degraded in value to the exporter's limit by adulteration with "paper money," since by such adulteration and degradation the quantity exported is drawn from the precreated stock and lost, because nothing but debt remains to balance the value thus degraded and sent abroad. In the one case, there is the same quantity of gold left after the shipment of the excess as the nation possessed prior to the increased production and the capital returned for the shipment beside; in the other, a less quantity of gold by the amount of the shipment and no more of other capital to compensate the loss.

The French economist, Frederic Bastiat, says: "Utility is increased as we succeed constraining nature to a more efficacious coöperation. So that we may say that mankind have as many more satisfactions, as much more wealth as they have less value." In other words, mankind, by availing themselves of natural forces more and more, continually have an increase of utility, satisfactions, and wealth, at diminished cost.

Where nature furnishes the most efficacious co-operation in the mining and transportation of gold, it can of course be supplied at the lowest value, and if we can produce gold and exchange it for iron and cloth, and other utilities, at less cost of labor and capital than we can directly

produce the utilities themselves, we have "as many more satisfactions, as much more wealth, as we have less value." In what respect, then, is it less advantageous to procure and possess cheap gold than cheap capital of any other description? *provided always we have the gold*, and not an incubus upon capital in its place to cheapen it.

Jean Baptiste Say notes a striking example of the increase of wealth by the reduction of value in the invention of the art of printing. "So that where there was formerly one copy only of a literary work (manuscript) of the value of 60 francs of present money, there are now a hundred copies, the aggregate value of which is 300 francs, though that of each single copy be reduced to 1-20th." That is to say, the reduction of the money value, by the increase of supply from 60 francs to 3 francs per copy, produces in this commodity a five-fold sum of wealth. There has been an abundant increase of wealth of this description by cheapening production since Say wrote in 1820.

"Gold and silver," says Adam Smith, "whether in the shape of coin or of plate, are utensils, it must be remembered, as much as the furniture of the kitchen. Increase the use of them, increase the consumable commodities which are to be circulated, managed, and prepared by means of them, and you will infallibly increase the quantity; but if you attempt by extraordinary means to increase the quantity you will as infallibly diminish the use, and even the quantity too, which in those metals can never be greater than what the use requires."

Money cheapened by mining is, therefore, a cheap utensil and cheap capital, as wheat cheapened by tillage is cheap capital, and any normal excess of either over the home demand is equally a gain of national wealth. But it is only in its function of capital, the subject or object of commerce, that the increase of money is of the least consequence. As the instrument of commerce, the measure of price, the most limited quantity consistent with convenience in the coin is even better than a greater quantity, because lower general prices are thereby secured, and, other things being equal, the nation or community having the lowest general prices, in other words, the most valuable money, will have the advantage in the commerce of the world. But the two functions of money cannot be separated, any more than the beauty of the diamond can be separated from its worth, and the proper and only profitable course is to treat it as we treat other capital, accumulate as much as possible, and exchange the surplus for products of greater value.

In regard to Mr. Sulley's remark that a fixed standard of value is an evil, I suppose he refers to the adoption of an irregular quantity of metal for the unit of money, like our dollar, which is an unequal fraction of a Troy ounce of gold, the French franc, which is out of the line of the decimal notation of the Empire, the English sovereign, or pound sterling, and the various units in use in commercial countries, which are "names indicative of nothing whatever," as to the established and ordinary weights employed in commerce. Unquestionably this is an evil. I have endeavored to expose it in your pages; but I do not see that it amounts to a *fixed standard* of value. I do not find, and cannot conceive of such a standard in money or in anything else. In the words of Mr. De Quincey: "An object to stand still when all other objects are moving, showing how much of the change has belonged to one object, how much to the others, or

whether either has been stationary: this is a thing we shall never have; because no such qualification can arise for *any* object—nor can be privileged from change affecting itself." Let money change as it may, it is the legitimate price of things. I prefer, therefore, to call it the *measure of price.* When price is not money value, when it is made by a measure which is notmoney, it is illegitimate and false. There is a ground of value in the equivalence of labor and capital, to which objects must be referred in money, however much it may change in itself. To that true price is the equivalent of money value.

It follows that the rise of general prices, which results from the actual increase of the precious metals, is not, as Mr. Sulley imagines, *price without value*, but *price with value*, which, relating to our foreign commerce, is returned in the imports. And the export of gold or silver under this normal condition of things is just as profitable to the nation as the export of wheat or tobacco, or any other of the hundred commodities annually sent abroad, whether they are the direct, or the indirect product of the industry of the country.

Twenty dollars is the price of a barrel of flour to day for my family use. What sort of dollars? Not such as are produced by labor and capital—not dollars of *value.* If we had possessed twenty such dollars for such an exchange, probably twelve of them would have gone abroad long ago, and returned the value of a barrel and a half of flour of the same quality more than the nation possesses at present in its capital. The dollars of to-day are made by the scratch of a pen; these are inscribed as a "deposit" when no dollars are deposited. They are not dollars of value, because they cost nothing. They are dollars of *price*, and the strongest motive which actuates man in society—self-interest—is involved in their further and unlimited increase. Certain men in corporations are privileged to make and take interest on such dollars as money. Do you suppose they will be checked in this business by the limitation of the issue of bank notes to $300,000,000? Not in my opinion. When the barrel of flour costs $100, as it will in time if the present financial system continues, perhaps the folly of the system may be discovered, and suffering among the industrious classes lead to its suppression. Already the bank deposits amount to $670,000,000, including those due by banks to banks, while the notes are but $250,000,000.

It is an immense argument in favor of the natural resources of this country, and the untiring energy of the people, that the nation is not ruined by its political economy in raising prices against itself by tariff, and, especially, by creating prices without value.

REFORM IN ENGLAND.

Now, that the question of reform is being discussed with so much spirit in England, and the late action of Parliament indicates the probable success of the measure proposed by Government, any facts with regard to the condition of the elective franchise and the changes proposed become of interest to us. The key note of the present reform movement was struck on the last night of the great debate in April. When Mr. D'Israeli denounced the bill as an innovation of American principles, and Mr.

Gladstone instead of repelling the charge, virtually admitted it, and pronounced a glowing eulogium in favor of democratic progress and reform. The measure in question, however, is chiefly important as an indication of the gradual progress towards liberalism. The leading features of the bill are: first, it proposes to reduce the present £50 county franchise to a £14 occupation, with or without land. This change, it is calculated, would admit 172,000 persons, chiefly of the farming and middle classes. Second, copy-holders and lease-holders in Parliamentary boroughs are to be placed in the same position as freeholders. Lodgers paying £10 a year for apartments, and persons having for two successive years a sum of £50 to their credit in a savings bank, are entitled to vote in boroughs. This addition is expected to add 24,000 to the electoral body. Third, the household franchise in boroughs is to be reduced from £10 to £7, and a class known as "compound householders," or persons whose taxes are paid by the landlords, are to be permitted to vote. This change is expected to add 204,000 to the constituency. Mr. Gladstone calculated that these clauses would, in the aggregate, add 400,000 votes to the electoral list, one-half of whom would be workmen. The correctness of the latter estimate was subsequently questioned by Mr. Bright, who gave apparently reliable data in support of his position, that the proposed changes would operate chiefly in favor of small traders and others, and that not more than 116,000 workmen would be added to the number of voters.

It is not, however, our purpose to discuss this government measure, but merely to give some statistics prepared from the English Blue Book, recently issued, bearing upon this question of reform.

"The first result shown is curious and satisfactory, and to most persons unexpected. One-third of a century has elapsed since the first Reform Bill, and during that period the number of borough electors has increased in a much greater ratio than the population; showing that virtually a sort of self-acting lowering of the franchise has been going on, by the gradual rising of rents and an increase in the numbers of those who can afford to live in £10 houses. Thus, between 1832 and 1866 the borough population has increased just eighty per cent., and the number of electors on the register in precisely the same proportion; but as the freemen and scot and lot voters have been gradually dying out, the number who are on the register in virtue of a £10 occupancy has more than doubled—it has increased at the rate of 102 per cent. In round numbers, (and it is with such only that we can deal at present), more than one-twentieth of the entire population of Parliamentary boroughs are on the electoral list, or one-fifth of the adult males. If we analyze this return still further, we shall find that in eleven of the largest manufacturing towns of the North, whence the chief demand for an extension of the suffrage proceeds, the number of electors on the register has increased since 1832 not less than 178 per cent., while in the five metropolitan boroughs (excluding the City) the increase has been 217 per cent. In counties, as well as in towns, the number of electors has more than kept pace with the population, the former having increased 46 per cent. and the latter 33 per cent.; but whether the augmentation is chiefly among freeholders or £50 tenants we have no means of ascertaining. The second result brought out will astonish the world still more. It appears that not less than 26 per cent. of the actual borough electors (or 128,000 out of 489,000) are *bona*

fide working men, men of the *wage-class* and supporting themselves by daily labor; and that of these, 108,000 vote not as freemen but in virtue of a £10 occupancy. The genuine ten-pounders among the class of journeymen mechanics, artisans, and handicraftsmen, constitute already 22 per cent., or nearly one-fourth, of the entire borough constituencies. Certainly few persons were aware of this startling fact till we announced about a fortnight since that it would turn out thus. But this table B shows further that the working classes constitute, in the metropolitan boroughs, one-sixth of the Finsbury, one-third of the Lambeth, one-fourth of the Marylebone and Tower Hamlets, and one-half of the Southwark constituencies. And if we look at the manufacturing towns we find the following proportions. The working classes constitute of the entire constituency, in—

Birmingham	about	20	per cent.	Newcastle	about	28	per cent.
Bolton	"	21	"	Salford	"	34	"
Ashton	"	19	"	Sheffield	"	26	"
Lancaster	"	46	"	Wolverhampton	"	24	"
Leicester	"	40	"	Wigan	"	23	"
Manchester	"	27	"				

It is remarkable, however, that the Yorkshire towns are far less fortunate in this respect than the Lancashire ones; Leeds, Halifax, Bradford and Huddersfield showing only 7, 10, 8, and 12 respectively, and only averaging about *ten* per cent. Return E enables us to calculate roughly the numbers who would be added to the borough constituencies by various rating and rental qualifications. We will consider only two of these. The number of male occupiers rated at £6 upwards are 806,000; but as nearly 30 per cent. of those who *might be* on the register are for sundry reasons, such as non-payment of rates, change of abode, &c., excluded from it (639,000 £10 occupiers only giving 452,000 registered electors), a £6 *rating* would only give 566,000 actual voters, or 114,000 more than at present—an increase of 25 per cent. By a similar calculation, a £7 rental qualification would add 146,000, or 32 per cent. A £6 rental would add 236 000, or 52 per cent. But either change would operate most unequally in different towns. Thus, a £6 rating in Manchester would, as far as can be calculated, raise the constituency from 21,000 to 26,000; in Leeds it would raise it from 7,217 to 9,373; in Halifax it would affect the numbers much less. Usually, a £7 *rental* qualification would add a *third*, and an £8 a *fourth* to the existing constituencies; but in Birmingham an £8 rental franchise would apparently raise the numbers from 15,000 to 27,000. It is, however, impossible to say how these results might be modified by any legislation bearing on the numerous cases—from a third to a half of the whole—where the rates are paid by the landlord. As a rule, the "rateable value" of a house is about 17 per cent. below the "gross estimated rental."

With regard to counties, the effect of the varions suggested changes may be thus stated:

Total electors now on the Register	543,000
Number who are electors in right of a £50 occupancy	117,000
Number who would be added by a £20 occupancy franchise	94,000
Additional number in case of a £15 occupancy franchise	45,000
Additional number in case of a £10 occupancy franchise	75 000
Entire number who would be added by a £10 tenant franchise	214,000

In other words, a £10 tenant-at-will clause would add just 40 per cent to the existing countituencies, and a £20 clause only 17½ per cent. If a *rating* franchise in lieu of a rental one were adopted for the counties (of which there is some intimation), a £10 limit would add about 230,000, and a £15 limit perhaps 150,000. But this is conjectural. It is understood that a savings bank qualification is to be introduced, and some returns have been presented to Parliament along with the electoral statistics, to enable us to judge of the effect of such a proposal. From them it appears that a qualification based upon the having had £50 in a savings bank for one year would give the franchise to 97,000 adult males. If two years were required, the number would be only 87,000. In either case about 30,000 of these would, it is estimated, belong to the working classes. Now the facts developed in these tables are remarkable; and it is still more remarkable that they all point in one direction. The following conclusion from them seem irresistible, unexpected as they are:—1st. That the electoral franchise is gradually extending itself by a natural operation, and on the whole at a pretty rapid rate—much more rapidly at all events than the population. 2nd. That already *one-fourth* of the entire borough constituency of England and Wales consists of working men, and in several towns considerably more. 3rd. That a £6 rating or an £8 rental qualification would apparently add about 25 per cent to the existing number of borough electors, and that most of these new men would belong to the working classes; so that in some towns either measure would give the *command* of the representation to those classes. 4th. That a £50 savings bank franchise would admit nearly 100,000 electors, of whom *one-third* would be working men."

The following is a return of the male occupiers at specified rentals:

				Rental.	Rateable Value
Male occupiers at	£4	and under	£5	108,405	177,530
"	5	"	6	131,762	135,634
"	6	"	7	130,293	49,939
"	7	"	8	94 044	60,617
"	8	"	9	69,147	65,268
"	9	"	10	43,209	43,612
"	10	and over		639,043	530,585

To the rateable value column should be added the occupiers at £6, amounting to 55,666, which would make the number at £6 and under £7,105,605.

The return for the counties is as follows:—The number of male occupiers of a house or other building with or without land in counties was at the rateable value of £10 and under £12, 47,268; at £12 and under £15, 53,885; at £15 and under £20, 60,903; at £20 and under £50, 125,489. Total at £10 and under £50, 287,545; at £12 and under £50, 240,277; and at £15 and under £50, 186,392. The number of electors on register 1864-5 as £50 occupying tenants was 116,860; the number of male occupiers at gross estimated rental of £50 and upward was 155,847; and the total number of electors on register 1864-5 was 542,633. The population of counties in 1831 was 8,689,277, and in 1861, 11,427,655.

Regarding Birkenhead, Chester, Manchester, and Liverpool, the following statistics are given: Birkenhead: Voters, 4,563; actual number of persons who were under description of mechanics, artizans, and others,

supporting themselves by manual labor, 2,065. Chester: Voters, 2,274: £10 occupiers, 361; freemen, 653; mechanics, artizans, &c., supporting themselves by manual labor, 987. Liverpool: Voters, 20,618; £10 occupiers and freemen, or scot and lot voters, Potwallers, or other ancient right qualifications, 381; mechanics, artizans, and other persons supporting themselves by manual labor who have a vote, 2,680. Manchester: Voters, 21,542; mechanics, artizans, and other persons supporting themselves by manual labor who have a vote, 5,822.

In table A we find that the population of the boroughs in England and Wales in 1831 was 5,207,520. In 1865-6 it is estimated at 9,326,709, showing a net increase of 4,120,000. The total number of electors on the register of 1832-3 was 282,938; in 1865-6, 514,026, including double entries; but not including double entries, 488,920. The net increase of electors on register is 231,628. The number of electors who voted at the last general election was 280,793, including in some cases the votes recorded, when the number of voters could not be given.

It also appears that the total number of freemen on the register 1832-3 was 63,481; on the register 1865-6, 41,041, showing a decrease of 21,840. The total number of scot and lot voters, &c., in 1832-3, was 44,738; their number now is 7,837, a decrease of freemen, scot and lot voters, &c, is 57,741.

As to the number of electors coming within the description of *mechanics, &c., supporting themselves by daily manual labor*, there are 108,298 among the £10 occupiers; 20,018 among the freemen; 2,348 among the scot and lot voters—the total being 130,664. Deducting 2,061 for those who are on the register in respect of more than one qualification, the actual number of electors who come within the description is 128,603.

In the borough of Liverpool the gross estimated rental in 1853 was £1,680,824; the present, £2,655,888, showing an increase of £975,064. The rateable value in 1856 was £1,527,831; the present £2,402,584, showing an increase of £874,753. The number of male occupiers was at a gross rental of under £6, 1,385; £6 and under £7, 3,152; £7 and under £8, 5,245; £8 and under £9, £5,925; £9 and under £10, 4,737; £10 and over £40,079.

THE IMPERIAL MEXICAN RAILWAY.

Whatever may be said for or against the existing Imperial Government of Mexico, considered in the light of political philosophy, one thing at least the practical good sense of mankind will sooner or later credit it with; that it has been the first government ever established in Mexico which has extended a systematic and efficient protection to great works of internal improvement.

The question whether the true and lawful Republican authority in Mexico resides in the person of Benito Juarez, at Chihuahua, or in the person of Gonzales Atega, at El Paso del Agnila, or in the person of General Ogazon, at some point just now not clearly ascertained, is one which we do not profess to discuss. But the fact that the current month of June is destined to witness the opening of nearly one hundred miles of railway communication between the City of Mexico and the Junction of Apizaco, on the way to Puebla, is, to say the least of it, quite

as important to the commerce and the interests of mankind; and it is but fair to the capitalists and the contractors who, acting under the authority of Maxmilian, have achieved this result, that some notice should be taken in foreign countries of the resolution and the skill with which they are pushing forward to completion the first grand steamhighway of Mexico.

The "Imperial Mexican Railway Company" was formed in September, 1864, for the purpose of carrying out the project of a direct communication by steam between Vera Cruz and the capital, originally conceived, many years ago, by one of the few really enterprising natives of Modern Mexico, the late Don Manuel Escandon. The project of Escandon was arrested in its development by the fearful political condition of the country. Since five Presidents during the ephemeral rule offered the project a support which they never made good; and when the present company was formed, under the auspices of the Empire, there existed in Mexico only about fifty miles of railway, divided between the State line, which running out of Vera Cruz terminated at La Soledad, at which place the famous convention of 1862 was signed between Juarez and the European Allies, and the still shorter line which, running out of the City of Mexico, terminated at Guadalope, the "sacred mount" of Mexican Catholics in the Loretto of the Indian populations in and around the capital. A beginning had thus been made at both ends, but between there intervened a vast distance of nearly 300 miles, over which the most important traffic of the country, between its chief city and its most flourishing seaport, had to be carried on over an ancient and dilapidated Spanish road, climbing mountains and sinking into gullies, and so tremendously difficult of travel, even by the heavy wagons and the indefatigable mules of Mexico, that the average cost of transportation from Mexico City to Vera Cruz has long ranged in the neighborhood of *forty dollars* per ton. That, in spite of these difficulties and the enormous consequent expense, a constant demand existed at the City of Mexico for the costliest and most varied cargoes of European and American goods which could be imported into Vera Cruz, was a sufficient argument of the results possible to be achieved by the construction of a through line of railway. This, with other arguments, being urged in London by the leading capitalists of Mexico, the "Imperial Mexican Company" was finally formed at the time we have mentioned above; the Government of Maximilian offering protection to the roads, and a handsome contribution towards defraying their cost. The contracts for building the road, 300 miles in length, were given out originally to Smith, Knight & Co., of London, by whom they were afterwards transferred to Crawley & Co., another well-known English firm. The line of the proposed road was surveyed and laid out throughout its entire length by one of the most distinguished of American railway engineers, Col. Andrew Talcott, and on the 13th of February, 1865, Mr. Wm. Lloyd, the experienced constructor of the most difficult mountain railways of South America, acting as Director-in-Chief under the contract with Messrs. Crawley & Co., made a commencement of the railway at the point of greatest difficulty, near the Cumbres, or mountains of Boca del Monte.

The road at that time had been carried on from La Soledad to Paso

del Macho, a point 65 miles distant from Vera Cruz, at which, during the last year, a small town of more than 2,000 inhabitants has sprung up, with schools, hotels, a railway station, and all the other evidences of a state of progress and civilization which we find germinating along the path of the railway in the expanding regions of our own Western domain.

To appreciate fully the progress made since that date, of which progress the opening of the line between Mexico and Apizaco is the immediate and striking proof, it is necessary for the reader to bear with us while we sketch out for him hastily the enormous, the literally enormous difficulties in the way of this gigantic railway enterprise.

As the crow flies, Mexico City lies at a distance of about 200 miles from Vera Cruz. But while Vera Cruz is seated on the edge of the ocean, Mexico City is situated on a height of no less than 7,340 feet above the sea-level. Had it been found practicable to build a railway of uniform ascent from Vera Cruz to Mexico, therefore, it would have been necessary to give that railway an ascending incline of no less than 36½ feet per mile, a piece of engineering work which might well appal the inexperienced and give the most experienced "pause." But even this was not practicable. Between Vera Cruz and Mexico a point must be passed much higher than the elevation of Mexico itself. The country which intervenes between the two may be described as made up of two great plateaux, united by an inclined plane—the lower plateau averaging about 700 feet, and the upper about 8,000 feet in elevation above the sea-level. Between these two plateaux is a distance of about fifty-five miles, which distance is broken up into lofty and rugged chains of mountains called in the country Cumbres, which form the eastern flank of the upper plateau. The width of the lower plateau itself is just about equal to that of this intervening space, orfifty-five miles; and consequently, the ascent to the level of the upper plateau had to be accomplished within a distance of 110 miles from the coast, a feat absolutely without paraellel in railway experience, and the proportions of which will be more fully comprehended when we remember that in traversing the lower plateau which takes the road over one-half this distance, or fifty-five miles, the engineers reach an elevation of only 1,500 feet, leaving them to master a further elevation of nearly 7,000 feet within the succeeding 55 miles to the crest of the Cumbres above spoken of.

Here, then, was the problem of the railway, to accomplish an ascent of 6,540 feet in 55 miles, corresponding to 119 feet per mile, or two feet in 44½ feet throughout the whole distance.

The following table of the severest ascents heretofore known in railway engineering will give the most accurate idea possible of the task imposed upon Colonel Talcott and M. Lloyd.

Ascent.	Railway.	Feet per mile.
The Giovi Incline	Turin & Genoa, Italy	147 for 6 miles.
The Semmering "	Vienna & Trieste, Austria	113 for 13¼ miles.
The Chanarcillo "	Copiapo, Chili	196 for 13 miles.
The Tabon "	Valp. & Santiago, Chili	120 for 12 miles.
The Alleghany "	Baltimore & Ohio, U. S.	117 for 11 miles.

But even these figures do not fully set forth the extraordinary nature of these great works in Mexico; until we take into the account that whereas the most abrupt ascent ever before achieved, that of the

Chanarcillo on the Copiapo line in Chili, is of 196 feet in 13 miles, the chief incline of the Imperial Mexican Railway at Maltrata near Orizaba will overcome 211 feet per mile in a distance of 23 miles. In achieving this part of the works, the engineers have been called upon to construct over the river Metlac, midway between the cities of Orizaba and Cordova, a viaduct which, when completed, will surpass any structure of the kind now existing in the world, and will, of itself, be well worth a trip to Mexico to see. This viaduct, to consist of an iron bridge, now constructing and nearly completed in England, will carry the road over the Barranca de Metlac, at the enormous height of 380 English feet being nearly 150 feet higher than any such work now extant, so that it, would be possible to pile upon the spire of Trinity Church the spire of Grace without reaching the roadway sustained upon its magnificent arches.

Some notion of the strictly engineering difficulties of the work undertaken by the Imperial Mexican Company, and to be completed, according to the terms of its contract with Crawley & Co., before the 30th April, 1869, may be derived even from these brief statistical notes. But when the reader reflects further that all the most important materials, the rails, the working tools, many of the supplies for the great bodies of workmen to be employed on the line, not only up to these heights of the Cumbres, but far beyond them upon he upper plateau, stretching from the Cumbres by Puebla to Mexico, must be imported from Europe and America, and tansported hundreds of miles on the backs of mules, or in the wide broad-wheeled wagons of the country over the most execrable roads on earth, he will readily agree with us, that when the Imperial Company in June, 1866, can point to more than 160 miles, or over half their whole line opened to commerce, they may fairly claim to have accomplished as handsome a year's work as men need be called upon to do. In accomplishing this, the Company have expended, for example, more than a million of dollars upon the transportation of rails alone from the coast to the line on the upper plateau. They have employed, and now employ, a total force in all departments of about 10,000 persons; they are receiving rails and other materials in the port of Vera Cruz at the rate of about 2,000 tons per month. England having recognized the *de facto* Imperial Government at Mexico, the vast business connected with this enterprise, which naturally and under ordinary circumstances would have inured to the benefit of American industry and capital, has, of course, been chiefly carried on the profit of Great Britain. American engineers are, however, employed under Col. Talcott on all parts of the walls, the difficult section of the Chiquihuite, on the edge of the *tierra caliente*, or tropical region, being under the charge of Mr. Deckert, of Pennsylvania, an engineer who has learned in Cuba to make light of the *vomito*, and to keep a cool brain under the hottest suns.

The opening of the upper sections between Mexico and Otumba, and Otumba and Apizaco, will give an immediate impulse to the intercourse between the two great cities of Puebla and Mexico, and to the development of the extensive intervening country. In conjunction with the lower section, already in operation between Vera Cruz and Paso del Macho, passengers from Vera Cruz to Mexico will thus be enabled to make their journey in two days, instead of three, and light goods,

which now require three weeks in the transport, will be forwarded in six days. Such a consummation may truly be regarded as a great and glorious victory won for civilization and true progress in Mexico. Whether under the banner of an Empire or the banner of a Republic, the "road-maker" is the true benefactor of nations, the true precursor and prophet of liberty, and all good things which come with liberty, wisely understood and wisely practiced.

SYSTEME METRIQUE.

MODERN commerce has encountered no greater obstacle to its progress than the multiplicity of weights, measures and moneys used in its prosecution. Not alone the great nations of the world, but every petty principality and power, until recently had their own denominations and values, differing greatly from one another and only translatable through the aid of voluminous dictionaries compiled from elaborate comparisons. Such a condition of affairs might be tolerated in the primitive eras of nations, before travel and national interchanges of products became the great business of the human race; but in the present era, when the railroad and steamship carry passengers and freight with the swallow's pace, and when the commingling of nations makes the world as a single brotherhood, something more simple and universal in its functions is demanded, which the denizens of each and every nation, however foreign to each other in language, can easily comprehend. The great want has been and still continues in a measure to be a universal system, with a nomenclature, founded on the ancient Greek and Latin, languages in universal use. The adoption of such a system was one of the first acts of the French Revolutionary government, which in 1799 proclaimed the Systeme Metrique. It has since been adopted either wholly or partially, and its use become permissive or obligatory in almost every civilized country. We ourselves have for many years used it in scientific processes, and are now about to bring it into general use. A bill to this effect is before Congress, and has already been sanctioned by the Representatives; and there appears to be little doubt but that the bill will finally become a law, and the system in a short time be popularized throughout the Union. The change demanded by the new system will come easier to ourselves than to nations wholly accustomed to multiply and divide by the binary process. We have learned the decimal mode of proceeding from our own money system, and hence to carry its application to weights and measures will soon become familiar. Otherwise than this, the change contemplated by the present law is without complexity, being simply the substitution of one unit of value for another. What follows will explain the whole subject.

HARMONY OF THE FRENCH SYSTEM.

Though decimal weights and measures will be new to this country, they are not new to the world. They originated in France three quarters of a century ago, where they have been fully tested in the crucible of commerce; and the system there adopted has been proved to be the best that it is possible for man, aided by science, to devise. In France it has had the best trial it is possible that it could have; for it is only in a country where

the monetary and metrical systems are both decimalized that it could be thoroughly tested. When the United States created its decimal currency, and left its weights and measures unaltered, it did not even carry out a half measure of reform. Sterne's proverbial dictum, that "they do these things better in France," was never a greater truism than in the matter of her change to a decimal system. She did not pull down and rebuild the half of an edifice, and present a structure, one half of which did not accord with the other, but tore down the entire of the old fabric, and erected a new one that harmonized in all its parts.

THE ADVANTAGE OF ADOPTING THE FRENCH SYSTEM.

It is the French system of weights and measures that we are about to introduce. By adopting its units, which are founded on scientific data, there is no placing an additional clog in the wheels of commerce, which would undoubtedly be the case if a new system were introduced with other units, although that system were a decimal one.

It is evident that the French system must, in the course of time, become universal, and the sooner we thoroughly adopt it—that is, make its use compulsory—the sooner we shall place ourselves on the smooth road upon which all nations must eventually travel. The nomenclature, too, being derived from the Greek and Latin, renders it applicable to every modern tongue, and thus prevents the necessity of each country drawing from its own lingual store names for new weights and measures which would not be understood beyond its boundaries. The advantage in commercial transactions of a universal system with a universal nomenclature is obvious.

THE ORIGIN OF THE DECIMAL SYSTEM.

The history of the inception and introduction of the metric system is a matter of much interest. It imparts to us a knowledge of the substantial foundation upon which it rests, and the care which was bestowed to arrive at a system in strict accordance with the laws of science. We have no space, however, to enter into a detailed account of the difficulties that beset the path of those who were engaged in reducing the theory into practice; but when we state that the requisite surveys and experiments were carried on in the most exciting period of French history, the result proves how successfully earnest and intelligent men are able to overcome, what to others would be insurmountable, obstacles. Their labors began a year or two before the commencement of the revolutionary struggle, and did not terminate until the last year of the century.

The ancient French system of weights and measures presented no uniformity; there was no relation between the *pied*, used as the unit of the measure of length, and the *livre*, as that of weight; and even although those measures bore the same denominations in all provinces, they were very different in their proportions in particular districts—the diversity being, to use the epithet of Delambre, scandalous. Local consumers did not feel the whole disadvantage which arose, but merchants often experienced great difficulties in converting to their own local standard the qualities expressed according to another rule.

One of the first objects which engaged the attention of the general States in 1788, was to find a remedy for this defect. It was then agreed

that some principle should be established, on which a new system should be founded. It was desirable to find a natural and invariable standard; and it may be observed that mankind, in all ages, have been endeavoring to obtain some such result, though they may have proceeded without accurate scientific knowledge. Without science it is impossible to find an invariable standard in nature; for there is such infinite variety in the individual character of her productions that no portions of animal or vegetable matter can be found of equal or unchanging dimensions. It was therefore the object of the French to establish, "as the fundamental unity of all measures, a type taken from nature itself, a type as unchangeable as the globe upon which we dwell, to prepare a metrical system, of which all the parts should be intimately connected, and of which the multiples and subdivisions follow a natural progression, which would be simple, easy to comprehend, and worthy of the enlightened age in which they lived."

THE UNIT DECIDED UPON.

The Academie des Sciences was first requested to determine the length of a pendulum, vibrating seconds according to given rules, under certain circumstances. But this was objected to, because it was thought that the result, depending upon the weather and arbitrary division of time, was not susceptible of the requisite accuracy. It was then agreed to adopt the ten millionth part of the fourth part of the meridian, or of the quadrant comprised between the Equator and the North Pole, for the unity of this measure of length, and to derive all others from this standard.

PRINCIPLES OF THE METRICAL SYSTEM.

It was then proposed that the new system should be founded upon the following principles:

1. That all weights and measures should be reduced to one *uniform* standard of linear measure.
2. That this standard should be an aliquot part of the circumference of the globe.
3. That the unit of linear measure applied to matter in its three modes of extension, length, breadth, and thickness, should be the standard of all measures of length, surface, and solidity.
4. That the cubic contents of the linear measure in distilled water, at the temperature of its greatest contraction, should furnish at once the standard weight and measure of capacity.
5. That for everything susceptible of being measured or weighed, there should be only one measure of length, one weight, one measure of contents, with their multiples and subdivisions exclusively in decimal proportions.
6. *That the whole system should be equally suitable for the use of all mankind.*
7. That every weight and every measure should be designated by an appropriate, significant, characteristic name, applied exclusively to itself.

Thus it will be observed, according to this scheme, the unit of linear measure is the basis of the whole system. For the purpose of obtaining the value of the unit, it was resolved that an arc of the meridian should be actually measured. M. M. Mechain and Delambre were therefore ap-

pointed to ascertain, with the utmost precision, the length of the arc comprised between Dunkirk and Rhodes, in France, a distance of nearly 550,009 *toises*, or about 570 miles. M. Mechain died in Spain from excessive fatigue in attempting to extend his labors to Barcelona, a distance much further than had been required of him. The result of the operations in which these savans were engaged, was, that a quadrant of the meridan lying between the Equator and the North Pole measured 5,130,470 *toises*, and that the ten-millionth part of this quantity, which was to form the standard unit, was therefore equal to 443,296 *lignes*.

THE NEW NOMENCLATURE.

The unit of the measure of length, thus ascertained, was discriminated a *metre;* and being established as the legal standard upon which all other weights and measures were to be predicated, the Academy proceeded to to devise a new nomenclature. The *metre* is almost exactly the length of the seconds' pendulum at Paris, or about 39⅓ English inches.

The unit of measures of capacity is a cube, whose side is one-tenth of a metre. It is called a *litre*, and is equal to about 2⅛ pints.

The unit of weights is the *gramme*. It is the weight in *vacuo* of a quantity of pure water, and its maximum of density, that shall exactly fill a cubical vessel, each side of which is one-hundredth part of the metre. It is equivalent to about 15½ grains, Troy.

In land measures, the unit called the *are*, is a square surface, each of whose sides is ten metres. It is nearly equal to four perches.

The unit of measure for fire-wood, denominated the *stere*, is a cubic metre, comprising about 35⅓ English cubic feet, or somewhat more than one fourth of a cord.

In order to express the decimal proportions, the following vocabulary of names has been adopted:

For Multipliers:	
the word Deca—prefixed, signifies.....	10 times;
the word Hecto—prefixed, signifies.....	100 times;
the word Kilo—prefixed, signifies.....	1,000 times;
the word Myria—prefixed, signifies.....	10,000 times;
On the contrary, for Divisors:	
the word Deci—expresses the.....	10th part;
the word Centi—expresses the.....	100th part;
the word Milli—expresses the.....	1,000th part;

It may assist the memory to observe that the terms for multipliers are Greek, and those for divisors Latin. Thus, *Deca-meter* means ten meters, *Deci-meter* the tenth part of a meter; *Hecto-meter* one hundred meters, *Centi-meter* the hundredth part of a meter; and so on for the rest.

"The theory of this nomendature," it is justly remarked, "is perfectly simple and beautiful. Twelve new words, five of which denote the things, and seven the numbers, include the whole system of metrology; give distinct and significant names to every weight and measure, multiple, and sub-division of the whole system; discard the worst of all the sources of error and confusion in weights and measures, the application of the same name to different things, and keep constantly present to the mind the principle of decimal arithmetic, which combines all the weights and measures, the proportion of each weight and measure, with all its multiples

and divisions, and the chain of uniformity which connects together the profoundest researches of science with the most accomplished labors of art, and the daily occupations and wants of domestic life, in all classes and conditions of society."

Such was the principle of the new system proposed by the Academy of Sciences in Feance, and the adoption of which, in that country, was enjoined by a law enacted December 8, 1799, and which is now in a fair way of being introduced into the United States.

THE NEW WEIGHTS AND MEASURES COMPARED WITH THOSE AT PRESENT IN USE.

The following tables of the metric system will place before the reader at a glance the relative value of the new weights and measures to one another, and to those at present in use among us:

MEASURES OF LENGTH.

Names.	Meters.	Inches.	
1 myriameter	10000	393708.	= 6.21 miles.
1 kilometer	1000	39370.8	= 0.62 miles.
1 hectometer	100	3937.08	= 109.36 yards.
1 decameter	10	393.708	= 10 94 yards.
1 METER	1	39.3708	= 1.09 yards.
1 decimeter	0.1	3.93708	
1 centimeter	0.01	0.39371	
1 millimeter	0.001	0.03937	

A *toise* equal to 1.95 meters, or 6.39 feet.

MEASURES OF SURFACE.

Names.	Square meters.	Square inches.
1 square myriameter	100000000	155005913664.
1 square kilometer	1000000	1550059136.64
1 square helimeter	10000	15500591.3664
1 square decameter	100	155005.913664
1 square METER	1	1550 05913664
1 square decimeter	0.01	15.5005913664
1 square centimeter	0.0001	0.15500591366
1 square millimeter	0.000001	0.00155005913

1 square myriameter equal to 38.61 square miles.
1 square kilometer equal to 0.38 square miles.
1 hectometer equal to 11960.38 square yards.
1 decameter equal to 119.00 square yards.
1 meter equal to 1.20 square yards.

MEASURES OF CAPACITY.

Names.	Cubic meters.	Cubic inches.
1 cubic kilometer	1000000000	61027053379431.
1 cubic heclimeter	1000000	61027053379.431
1 cubic decameter	1000	61027053.379431
1 cubic METER	1	61027.053379431
1 cubic decimeter	0.001	61.027053379431
1 cubic centimeter	0.000001	0.061027053379+

1 cubic meter equal to 1.31 31 cubic yard.

LAND MEASURE.

Names.	Square meters.	Square yards.	
1 hectare	10000	11960.38	= 2.47 acres.
1 ARE	100	119.6038	= 3.95 square rods.
1 centiare	1	1.196038	

WOOD AND TIMBER MEASURE.

Names.	Cubic meters.	Cubic inches.	Cubic feet.
1 STER	1	61027.05	35.316
1 decister	0.1	6102.705	3.5316
1 centister	0.01	610.2705	0.3532
1 millister	1.001	61.02705	0.0353

1 ster equel to 0.276 cord.

LIQUID AND DRY MEASURE.

Names	Cubic meters.	Pints.	Gallons	Bushels.
1 kiloliter	1	2113.5	264 2	33.047
1 hectoliter	0.1	211.35	26.42	3.3047
1 decaliter	0.01	21.135	2 642	0.3305
1 LITER	0.001	2.1135	0.264	0.0330
1 decaliter	0.0001	0.2113	0.026	0.0033

MEASURES OF GRAVITY OR WEIGHT COMPARED WITH TROY WEIGHT.

Names.	Cubic meters of water.	Grains.	Penny-weights.	Ounces.
1 kilogram	0.001	15438.	643.3	32.163
1 GRAM	0.000001	15.438	0.643	0.032
1 decigram	0.0000001	1.5438	0.064	0.003

1 kilogram, 2.68 pounds, troy.

MEASURES OF GRAVITY OR WEIGHT COMPARED WITH AVORDUPOIS WEIGHT.

Names.	Grains.	Drams.	Ounces.	Pounds.
1 myriagram	10000	5646.	352.9	22.055
1 kilogram	1000	564.6	35 29	2.2055
1 hectogram	100	56.46	3.529	0.2205
1 decagram	10	5 646	0 352	0.0221
1 GRAM	1	0.565	0.035	0.0022

A *quintal* is 100 kilograms, and is equal to 220 55 pounds.

A *millier* (used for marine tonnage) is 1000 kilograms, and is equel to 2205.5 pounds.

In the bill before Congress the larger weights are the quintal and ton; the quintal being the same as the French quintal, and the ton the same as the millier. Hectogram is to be called *hecto*, for short; and kilogram *kilo* (pronouncing the vowel *i* in the latter the same as it is pronounced in kill, or as in marine). Decaliter will be named, for short, *deca*. These abbreviations have long been adopted in France.

APPROXIMATE EQUIVALENTS.

The bill also provides that for the purpose of assessing or collecting duties and taxes, for the sale or transfer of the public lands, and for all purposes whatsoever, where strict accuracy is not required in order to prevent interference with contracts before entered into, the following approximate equivalents shall be used until rates, prices, or xuantities be fixed according to the standard of weights and measures enacted by the act:

LIST OR APPROXIMATE EQUIVALENTS.

1 decimeter	— 4 inches.	1 hectare	— 2.5 acres.
1 meter	— 1.1 yard.	1 liter	— 05.375 gallon.
1 decameter	— 0.5 chain.	1 kilogram	— 32 ounces, troy.
1 kilometer	— 0.625 mile.	1 kilogram	— 2.2 lbs. avordup's
1 centiare	— 1.2 square yards.	1 ton	— 1 ton of 2,240 lbs.

The bill further provides that every rate, price, or quantity that is now or hereafter may be fixed by law shall, on the adoption of the new standard, be held to be increased or diminished according to the above approximate ratio, until a new rate, price, or quantity be fixed by law in lieu thereof; but nothing contained in the act shall be held to interfere with any contract heretofore entered into, or any grant heretofore made, so as to prejudice any person or persons in the United States.

PROVISIONS OF THE NEW ACT.

Among the provisions of the bill legalizing the metric system, are the following:

That for the purpose of the post office one ounce shall be considered equivalent to thirty grains, until or unless rates of postage be enacted with special reference to the new standard.

That the public lands shall, as heretofore, be surveyed in townships of thirty-six sections, except that each section, when not fractional, shall, as nearly as may be, contain 256 hectacres; provided, however, that the Commissioner of the General Land Office may cause such portions to be surveyed with the chain of sixty-six feet as in his judgment may be necessary to avoid inconvenient irregularities in joining on to or subdividing previous surveys.

That the Secretary of the Treasury shall cause to be prepared a list of the coins of the United States (which shall be of the same weight and fineness as now provided by law), showing their weight in grains and decimal parts thereof, as also the extent of deviations now permitted in adjusting the weight of coins.

That from the time of the passage of the act it shall be lawful for any person to buy, or sell, or contract by the metrical system of weights and measures.

A COMPROMISE SYSTEM ADOPTED FOR A TIME IN FRANCE.

Although the agents of the French government and the higher classes in the commercial world soon understood and adopted the metric system, the smaller tradesmen and laborers were unwilling to charge their memory with names which sounded so unlike their accustomed language. Consequently the Emperor Napoleon—doubtlesss not unwilling to yield to the prejudices of the people against a system that had been introduced into the country by a republican government—caused an imperial decree to be promulgated, February 12, 1812, that tolerated the names of the old measures in the *retail* purchase of goods; but, at the same time, by a slight modification, the value of those measures were so fixed as to bear certain definite proportions to the standards of the decimal system. It was also required that the measures should bear both graduations, that is the carpenters' rule should have on one side the metrical divisions and on the other those of the *toise* and its subdivisions; and the *aune*, or ell, should bear on one of its sides its former divisions of halves, quarters, eighths, &c., and on the other the corresponding metres and centimetres; in order that both the purchaser and the dealer might be enabled to convert one measure into the other.

The old and new systems thus combined formed what was called the *System usuel ou transitoire.* Under it a measure or two metres was called

a *toise*, which was divided into six feet; and the foot, which was one-third of a metre, was divided into twelve thumbs, and the thumb into twelve lines. A measure for cloth the length of twelve decimetres was called the *aune*, or ell, which was divided into halves, quarters, eighths, and sixteenths, as well as into thirds, sixths, and twelfths. In like manner the half of a kilogramme was denominated a *livre*, a pound, which was divided into sixteen ounces; ane the ounce was subdivided into eight *gros*, which was further split up into haves, quarters, and eights. For the retail sale of spirits, etc., the litre was divided into halves, quarters, eighths, and sixteenths; and for dry measures one eighth of an hectolitre was called a *boisseau*, which had its double, its half, and its quarter.

How absurd this system appears when compared with the simplicity of the metric system, and yet if the reader will reflect he will find that it very closely resembles the system at present in use in our own country.

The *system usuel* could only be legally used in *retail* sales, all wholesale dealers being compelled to follow the metric system. Its introduction was attended with many difficulties at first, but it finally led to almost the exclusive adoption of the old system, which it was the province of the metric system to supersede. In consequence of this a law was passed, in the reign of Louis Philippe, in July, 1737, interdicting, under a severe penalty, after the 1st of January, 1840, the use of all weights and measures other than those of the metric system.

THE EUROPEAN WAR.

Probably before this is seen by our readers, the strife which has so long been fomenting on the continent of Europe will have begun. As we write, news reaches us of the entry of the Prussians into Holstein, which has been evacuated by the Austrians. The Congress which was to have assembled at Paris made just enough progress to show the hopelessness of any further attempt to preserve peace. Austria coupled her acceptance with a distinct assertion that she would entertain no propositions looking to the cession of Venetia; Italy acceded with an equally distinct declaration of the vital necessity of the acquisition of Venetia to her own internal peace; and Prussia, angered, almost at the very moment of her acquiescence, by an Austrian decree in which the whole affair of the Danish Duchies was decided in contempt of the Prussian policy, gave the Powers plainly to understand that she could not consent to wait more than a fortnight upon the action of the projected Congress. With such belligerent feelings exhibited by each of the principal parties, the failure of the Congress was a foregone conclusion.

With the chances of war thus imminent it is worth while to consider what that war will be, what it may become and how it will affect the United States. And first it will differ from any recent struggle in which Austria has been engaged, in this very important particular, that the non-German populations subject to the Austrian rule appear to be throwing themselves with extraordinary ardor into the defence of the Imperial throne against the Prussian aspirations after a decisive supremacy in Germany. The best information accessible on this point seems to put it beyond a doubt; and when we consider that the non-German populations

of Austria, exclusive of her Italian dominions, amounted in 1857 to more than 24,000,000 of souls while her subjects of German origin numbered less than 8,000,000 of souls, it will be easy to see with what a tremendous additional force a real warlike enthusiasm on the part of these vastly preponderating races must arm the Empire. It is a great mistake of which the English press is guilty when it insists upon treating the coming outbreak in Central Europe as the work simply of the contending ambitions of a Premier on the one side and a Kaiser on the other.

The gradual admission of the non-German populations of Austria to something like constitutional relations with the Empire has given strength to the adherents in Austria of a policy which looks, not to the consolidation of Germany under an Austrian sovereign, but to the prevention of the consolidation of Germany under a Prussian sovereign. To keep Germany disunited, and thereby to rob the forty millions of the German race of the legitimate preponderance which, if once united, they cannot fail to acquire in Central Europe, is, in the eyes of those who represent this new Austrian policy, to secure such a preponderance to the non-Germanic Austrian Empire. By her Eastern subjects Austria has for years been made liable to grave dangers from the Panslavic aspirations and intrigues of Russia. By her Western relations with Germany she is exposed to the seductions of a Teutonic imperialism. The election of a Prussian prince, Charles of Hohen Zollern, to the sovereignty of the Roumanian principalities on the Lower Danube, would threaten her with Germany on the East as well as on the West, were she to be defeated in the impending war; and the general rallying of her heterogeneous "peoples," as Kossuth used to call them, around the standard of the Kaiser can only be rationally interpreted as an evidence of the fact that the conception of an united Austrian Empire, powerful enough to arrest the crystallization of German unity on the one hand, and the progress of Russian domination on the other is at last becoming popular throughout the vast realm of the Hapsburgs.

If this view of the temper and purposes with which Austria will enter the war be correct, it follows, inevitably, that however reluctantly the Prussian people may begin the fight, their passions not of nationality only, but race, must very soon be enlisted in supporting it. Count Bismark is said to have replied to some one who endeavored to alarm him by dwelling upon the popular opposition to the war in Prussia: "Yes, yes, that is very true, but a single victory or a single defeat will change the whole current." Those who remember the conditions of popular feeling in this country at different moments during our recent struggle, will appreciate the knowledge of human nature displayed in this observation of the Prussian ruler. Whatever else may be said for or against Count Bismark, the credit of a cool and masterly perception of the circumstances amid which he is guiding his Ship of State, and of an unscrupulous promptitude in availing himself of these circumstances, cannot be denied him. It is upon these qualities in her Premier, even more than upon the admirable condition of her exchequer, and the excellent organization of her army, we opine, that Prussia will find herself compelled to rely most earnestly when the shock of actual conflict comes with her gigantic enemy. Austria has not as yet shown that she possesses any statesman fitted to cope with the astute and audacious minister of King William I.

The armies which the different powers will bring into the field will of

course be large. It is the custom, owing to an inaccurate view of the Hungarian campaign, to disparage the military power of Austria, but it is really exceeded only by that of France. The Kaiser controls half a million of efficient soldiers, supported by an unresisted conscription, carefully organized, particularly since the experience of 1859, and full of high military pride, and the Emperor can in the last resort rely on immense levies of races who, like the Croats, are alike ignorant and careless of the merits of any contest. The immense number on the rolls must, however, be reduced by at least 100,000 men to be left in Venetia, 100,000 in Galicia and Hungary, and 50,000 more engaged in the fortresses and regular garrison duty. On the other hand, the King of Prussia has the immediate control of only 250,000 men, but he need not garrison any part of his dominions except the Duchies. He has besides the support of a very swift and effective conscription—the organization under which every man in Prussia is not only to serve, but trained to do it well. His army is better armed than the Austrian, comprises a magnificent artillery, honestly believes that the Danish war raised its military reputation as highly as Waterloo, and has an advantage which its rival does not, we believe, possess—the help of a system of laws, framed by Frederick the Great, and by no means dormant, under which every horse, every cart, and, indeed, all supplies throughout the kingdom may be made instantly available for the service of the State. In finance the Prussian Government has slightly the advantage, as she possesses, besides her revenue, a reserve treasure of some ten millions, which would last till a won battle enabled her Government to raise a loan, or a lost one called out the patriotism of the Chamber, which in extremity dare not leave an army based on the whole population without supplies.

The Italian attack upon Austria must be regarded, no matter how formidable its proportions may become, nor how gallantly it may be conducted, as a diversion in favor of Prussia with the connivance, and in the ultimate interest of France. The practical neutrality of Russia being guaranteed by the attitude of England, who will probably never again draw the sword to redress any balance of power on the Continent of Europe, but who would, unquestionably, spring from her slumber like a lion to arrest any new demonstration of the Czar toward Constantinople, France has become the practical arbiter, in the last resort, of every serious effort at a "reconstruction of the map of Europe;" and whatever may be the changing incidents and accidents of the summer's strife, we may be sure that the ultimate determination of its results will proceed, with authority, neither from Berlin nor Vienna, nor Florence, but from the Tuileries: and when one great battle has been fought Napoleon becomes the master of the situation able to demand his own price. Once France moves, the war would be European in its range. The assailed would be fighting for life, and would be compelled either to draw England into the struggle, or that proving impossible—an assumption much too hastily made while the Belgium is on the Rhine, and Turkey almost guaranteed—buy the immense assistance of Russia. Such combinations are of course at present mere dreams; but with Austria and Prussia in open conflict public law ceases in Europe, and anything becomes possible to those who have bayonets at command. The scene of 1815 may be repeated, and though the war is almost sure to be short, it may accomplish changes as

great as those which are registered and legalized by the Congress of Vienna. England is for the present fairly out of the fray, though the ultimate result of all such wars, its compensation of the strong at the expense of the weak, may yet drag her into its vortex. As between Prussia and Austria compensations are possible to almost any extent and of little concern to this country, which at heart would see Germany divided into a Northern and Southern Empire not only with indifference but with pleasure. But France wants for her price a frontier which the elder statesmen of England fear to concede, may ask one which they would resist by force. Russia wants bits of Turkey, while Italy must have Venetia and possibly Friuli and Italian Tyrol. And since Austria, by her hold on the fortresses known as the Quadrilateral, occupies a position on the Italian Peninsula from which it will be extremely difficult for the Italians to dislodge her by a direct front attack from the side of Lombardy, it is by no means improbable that the war will begin on the South of the Empire by the efforts of the Italian volunteers to excite a revolution in the Alpine districts of Austrian Italy, combined with naval demonstrations against Upper Dalmatia and Trieste.

The sympathies of the United States in this struggle will, without doubt, be with Italy. Austria has already lost ground, before a battle has been fought, or a gun fired, by her course with regard to a Congress. She has thus placed herself in precisely the position her enemies would have chosen for her. But those who imagine that the United States will be only benefitted by the outbreak, must have examined very superficially the bearings of the question. Our development is, to an important extent, dependent on European capital. Not less than $250,000,000 of our securities are held in Europe; we, in the meantime, employing the capital advanced upon them for the creation of wealth. The people of the Continent are large consumers of our products, and we in turn are dependent upon them for the supply of a vast amount of merchandize, which, under existing circumstances, we can buy from them more advantageously than we can produce the articles ourselves. We are also largely dependent upon European credits for the importation of this merchandise. Indeed, for all practical purposes, there is the same sort of inter-dependence between the Old World and the New World as exists between the several States of our own Union.

Although it is true that the war involves no suspension of our trading relations with the Continent, as in the case of belligerents; yet it is inevitable that it must produce a very important modification of those relations. One of the first results of war is to cause bankers to call in their loans, partially from motives of caution and partially for the purpose of placing themselves in a position to respond to the requirements of their government. We are now beginning to feel the effects of this course. Our importers find it impossible to avail themselves of their customary letters of credit upon the Continental cities, and a large proportion of our Fall importations must consequently be paid for in cash. This fact has not only an important bearing upon domestic monetary affairs, but it must result in a large curtailment of our importations; which means a diminution of the trade and enjoyments of our people. We are experiencing another adverse result in the withdrawal of European capital allowed to remain here for employment. Letters by the Scotia called home a con-

siderable amount of funds thus held—one firm, we understand, having remitted a single balance of over $1,000,000. The large shipments of specie this week have been chiefly destined to the Continent, and are in response to demands of this character. To what further extent this process may be carried it would be premature, at present, to estimate; but foreign bankers are apprehensive that further large remittances on this account may have to be made.

It yet remains to be seen whether any derangements will arise from the return of Five-twenties from Europe. Probably not less than $200,000,000 of our bonds are held in States likely to be directly implicated in the war. Thus far, the bonds returned from Europe have consisted chiefly of the supply held by dealers, who have probably realised upon them, on account of their being less depreciated than other securities. We find no reason for modifying our opinion, previously expressed, that the mass of private holders will hold the bonds firmly on account of their security, and being less liable to fluctuation than other loans. A certain amount of Five-twenties, however, is held by manufacturers and merchants: and it is questionable whether this class of holders, being driven by the curtailment of bank credits to realize upon their reserve capital, will not prefer selling our bonds, as the securities upon which they would lose least through realization. Private financial advices indicate the commencement of a movement of this character. Should the process be carried on to an important extent, it is quite probable a salutary check would be imposed upon it by the New York gold market. The shipment of gold, in payment for bonds thus returned, would cause an advance in the premium, which would so far reduce the gold value of the bonds as to neutralise the motive for sending them here for realization. It is, however, to be supposed that this realizing movement would prove to be but temporary. The mercantile sellers would, after a brief period, find their assets coming into their hands, and, having again an unemployed surplus, they would be likely to invest in Five-twenties, which to them would appear cheaper and safer than any other investment. It is, again, a question whether, in the probable event of money becoming cheap in England at an early day, there is not a chance that London dealers would buy largely of the bonds thus temporarily thrown overboard by the Germans, with the hope of being able to sell them at Frankfort at a profit, after the subsidence of the first panicky effects of war.

It is to be anticipated, as a natural consequence of the interruption of agriculture on the Continent, that war would be accompanied with an enlarged demand for our food products at enhanced prices. Apparently, this would increase our ability to pay for our imports of merchandise; and yet only apparently, for it is not to be overlooked that the war would cause a loss upon our exports of cotton far exceeding any gain upon our shipments of Western produce. Europe consumes one third of our cotton crop; and the contraction of this large source of demand would cause a material depreciation of the value of the entire crop, besides reducing the price of the large amount now held on American account at Liverpool.

These are some of the many considerations which go to show that Americans, in common with all who have trading relations with the Continental States, cannot but be effected injuriously by a European war.

TAXATION OF GOVERNMENT BONDS—NOTE.

In the article on "Taxation of Government Bonds" in the June number of the MAGAZINE (pages 409, &c.,) there were two or three typographical errors which changed or destroyed the meaning of the sentences in which they occurred; well illustrating the truth that man composes but the devil prints. On page 410, 20th line from top, the word printed "*over* taxed" should read *untaxed*. Page 411, 24th line from top, "*our* community" should read *one* community. Page 411, 12th line from bottom, "*when* capital" should read *where* capital.

TRADE OF GREAT BRITAIN WITH THE UNITED STATES.

COTTON, BREADSTUFFS PROVISIONS ETC.

[Our London correspondent furnishes us an analysis of the cotton trade between Great Britain and the United States for the four months ending April 30th, prepared from the official returns first issued and those of previous years. As regards the total value of imports, the returns embrace a period of only three months; but during this period in the current year, the computed real value of the principal articles imported was very high, and was nearly £14,000,000 in excess of 1865. The two leading items causing this increase are cotton and breadstuffs, the augmented value of the former being to the extent of £7,000,000, and of the latter £3,000,000. The value of imports in each of the first three months of the last three years was as under:—

	1864.	1865.	1866.
January	£7,520,856	£6,393,922	£9,8·7,564
February	13,214,541	12,891,252	16,610,159
March	16,896,928	13,005,394	12,891,204
Total	£37,13 ,825	£32,295,568	£46,348,973

Respecting the exports of British and Irish produce and manufactures, the returns extend to the end of April. In that month, as compared with March, trade declined to the extent of rather more than two millions sterling; but the figures show an increase over January, February, and over the corresponding months in the two preceding years. They are as follows:

EXPORTS OF BRITISH AND IRISH PRODUCE AND MANUFACTURES.

	1864.	1865.	1866.
January	£10,413,586	£10,489,339	£14,334,749
February	12,698,121	11,376,214	15,116,063
March	13,555,674	13,770,154	17,520,354
April	13,225,089	12,071,111	15,366,414
Total	£49,893,420	£47,706,818	£62,357,579

The total value of imports from the United States during the three months ending March 31, was as follows:

	1864.	1865.	1866.
From Atlantic ports, Northern	£3,385,142	£1,843,898	£5,377,477
" Southern	77,263	62,323	6,·21,197
Pacific ports	115,555	19,288	43,097
Total	£3,577,960	£1,925,514	£12,241,771

The exports during the same period stood thus:

To Atlantic ports, Northern	£6,699,353	£3,178,228	£9,137 644
" Souther	36,859	18,718	298,312
Pacific ports	171,835	79,648	218,997
Total	£6,908,027	£3,276,594	£9,654,953

COTTON.

Respecting cotton, we find that the United States, the Brazils, and the East Indies have furnished during the present year increased supplies. On the other hand the imports from Turkey, Egypt and minor countries have declined, whilst the import trade in cotton, so far as China is concerned, is quite suspended. According however, to the latest advices from China, it appears that a few cargoes are now afloat for Liverpool, but the quantity of produce they are likely to bring cannot have any effect on the market. The total imports in April amounted to 1,663,025 cwts. against 592,095 cwts. in 1865, and 627,452 cwts. in 1864. For the four months ending April 30, the imports were of the following magnitude:

IMPORTS OF COTTON INTO THE UNITED KINGDOM.

		1864	1865	1866
From United States,	Cwts.	10,423	38,029	1,815,879
Bahamas and Bermuda,	"	95,847	137,309	2,682
Mexico	"	99,752	106,914	3,145
Brazil	"	95,582	161,630	267,530
Turkey	"	53,679	87,056	5,737
Egypt	"	360,278	600,693	402,495
British India	"	775,367	685,510	1,066,380
China	"	210,118	142,818	
Other Countries	"	58,379	115,4 0	72,666
Total		1,759,423	2,025,369	3,689,434

From the foregoing it becomes evident that in considering the important question of the future supply of cotton, Brazil must occupy a prominent place. No other country has made during the past few years the same steady and rapid progress in the cultivation of the great staple. In 1863 less than 170,000 bales of 160 lbs each were shipped from all ports. This year, its believed, the quantity will amount to nearly 600,000 bales. This extraordinary increase is in the face of an export duty exceeding 12 per cent., and an exhausting war, which among other evils, has deprived the cotton grower of thousands of laborers.

The export demand for cotton in April was largely in excess of that for April last year—the quantity taken by exporters in April having amounted to 294,960 cwts., against 131,965 cwts. last year, and 189,418 cwts. in 1864. For the four months the figures show a corresponding increase, the shipments to the leading consuming countries from the United Kingdom being as follows:

	1864.	1865.	1866.
To Russia, Northern ports.....cwts	19,340	2,265	29,946
Prussia	5,441	277	27,757
Hanover	17,965	11,335	5,033
Hanse Towns	148,453	104,791	370,318
Holland	115,835	57,296	171,346
Other countries	227,169	243,164	418,684
Total	534,253	419,428	1,026,084

The computed real value of our cotton imports for three months was £17,903,379, against £10,819,439 last year, and £12,124,375 in 1864.

BREADSTUFFS.

The returns show an increase of more than one hundred per cent. in imports of wheat from all quarters as compared with the corresponding month last year. France continues to furnish liberal supplies, and from Russia, there is a large increase. The United States figure in April for only 12,000 cwts., but that is an increase of 9,000 cwts. as compared with the same month last year. The leading import of flour is now from France. The statement of imports is as follows:

IMPORTS OF WHEAT AND FLOUR INTO THE UNITED KINGDOM IN FOUR MONTHS.

	1864.	1865.	1866.
WHEAT—From Russia.. .....cwts.....	636,489	1,231,453	3,092,245
Prussia...	1,530,696	382,118	409,223
Denmark.....	343,793	83,234	39,530
Schleswig, Holstein and Lauenburg.....	128,384	52,949	39,520
Mecklenburg.....	191,429	97,195	89,897
Hanse Towns.....	300,443	29,909	87,495
France.....	432,497	176,907	1,740,307
Turkey and Wallachia and Moldavia.....	164,381	169,312	218,788
Egypt.....	312,633	.....	.....
United States	2,835,400	127,924	306,084
British North America.....	10,838	2,294	8,789
Other countries	154,323	214,831	1,145,798
Total.....	7,041,307	2,572,521	7,183,406
FLOUR—From Hanse Towns..... .....cwt.	126,768	85,302	78,127
France.....	1,217 815	767,622	2,011,452
United States.....	816,607	94,238	162,412
British North America.	4,256	11,385	6,043
Other countries.....	88,440	26,789	86,374
Total.....	2,213,886	985,376	2,344,408
INDIAN CORN.....	578,276	1,316,017	4,074,576
OATS	1,129,001	1,292,493	1,757,571

The annexed statement shows the value of our principal exports of British and Irish produce to America, during the four months ending April 30, in each of the last three years:

EXPORTS TO THE UNITED STATES FOR FOUR MONTHS.

	1864.	1865.	1866.
Alkali.....	£155,503	£131,745	£352,240
Beer and ale	22,173	11,402	26,223
Coals.....	41,151	27,160	25,006
COTTON MANUFACTURES—			
Piece goods.....	903,419	441,550	1,698,989
Thread	102,119	31,762	123,805
Earthenware and porcelain.....	164,510	109,736	248,044
Haberdashery and millinery.....	511,038	244,141	643,509
HARDWARES AND CUTLERY—			
Knives, forks, &c.....	46,980	27,404	120,778
Anvils, vices, &c.....	40,063	22,783	48,712
Manufactures of German silver.....	124,139	52,349	259,963
LINEN MANUFACTURES—			
Piece goods	1,117,075	715,140	1,658,093
Thread.....	79,559	48,815	86,110
METALS—			
Iron—Pig.....	102,639	21,591	127,548
Bar, &c.....	396,892	48,946	222,428
Railroad	427,849	38,536	196,404
Castings.....	7,053	1,053	6,343
Hoops, sheets & boiler pla's.....	120,387	15,441	111,491
Wrought.....	129,850	58,268	90,111
Steel—Unwrought	234,098	94,167	222,551
Copper, wrought.....	11,718	9,167	23,694
Lead, pig.....	158,346	5,607	59,065
Tin plates.....	315,869	229,440	548,575
Oilseed.....	43,382	39	49,971
Salt	11,898	8,630	48,675
SILK MANUFACTURES—			
Broad piece goods.....	41,910	19,253	75,564
Handkerchiefs, &c.....	10,833	999	5,489
Ribbons.....	22,357	9,633	21,549
Other articles of silk only.....	49,988	32,538	48,512
Manuf. mixed with other materials.....	21,206	9,970	27,973
Spirits, British	5,846	303	3,734
Wool..... ..	28,762	250	242
WOOLEN MANUFACTURES—			
Cloths of all kinds....	468,881	148,641	422,456
Carpets and druggets.....	193,376	34,168	297,775
Shawls, rugs, &c	46,223	7,511	16,314
Worsted stuffs of wool only, and of wool mixed with other materials.....	1,061,240	544,231	1,606,374

During April 28 American vessels entered inwards at ports in the United Kingdom, against 23 last year, and 22 in April, 1864. For the four months ending April

30, the aggregate was 151 vessels, of 152,589 tons; against 88 vessels, of 93,272 tons, in the corresponding period last year; and 133 vessels, of 151,589 tons, in 1864. The clearances in April were 51, against 27 last year, and 45 in 1864. For the four months they reached 188, against 94 in 1865, and 143 in 1864. Of all nationalties, the entries into the United Kingdom from United States' ports were 133, against 35 in April last year, and 63 in 1864. These figures raise the total for the present year, viz.: from Jan. 1 to April 30, to 546 vessels: And a comparison with previous years shows favorable results, for during the corresponding months in 1865 the total was confined to 156, and in 1864 it was 333. The clearances of vessels, of all flags, from the United Kingdom to the United States reached a total of 130, against 66 in April last year, and 129 in 1864. The total for the year is 522, against 208 for the corresponding months last year, and 331 in 1864.

PROVISIONS AND LIVE STOCK.

Below we give the arrivals of live stock and provisions during the four months ending April 30:

LIVE STOCK.

	1864.	1865.	1866.
Oxen, bulls and cows, number	21,143	40,719	42,301
Calves, number	6,263	6,093	6,190
Sheep and lambs, number	58,378	96,134	244,792
Swine and hogs, number	4,437	21,369	20,062

PROVISIONS.

	1864.	1865.	1866.
Bacon and hams, cwts	347,383	272,242	225,8[illegible]
Beef salt, cwt	164,856	81,585	72,567
Pork, salt, cwt	70,232	58,390	80,662
Butter, cwt	260,604	292,398	270,945
Cheese, cwt	162,088	177,271	127,305
Eggs, number	99,350,040	107,821,440	140,188,560
Lard, number	30,231	40,238	106,406

TRADE WITH THE BRITISH PROVINCES.

A resolution was some time ago adopted by the House of Representatives calling upon the Secretary of the Treasury to communicate certain specified information, with the view of assisting Congress in "correctly estimating the trade resources" of the British Provinces, "and their relations to the trade and productions of the United States." The exact returns requested have not yet been presented, and there is, therefore, no likelihood of their being serviceable during the present session. Without waiting for them, however, Mr. Kelley, who sought the information, may form a tolerably correct estimate by reference to official documents already in print. He may learn, for instance, the growth and magnitude of the trade developed under the Reciprocity Treaty, now no more, and may judge of its value to the United States by a detailed comparison of our exports to the Provinces with the aggregate of our exports to all other countries. For the enlightenment of members like himself, we have compiled a couple of tabular statements, some of the figures of which may, perhaps, surprise persons more familiar than Mr. Kelley professes to be with the nature and extent of the interests concerned in our export trade with the Provinces.

The first of these statements exhibits the total amount of imports and exports during eleven years, ending the 30th June, 1864. It may serve both to convey an idea of the annual aggregate of trade between this country and the provinces embraced within the Reciprocity Treaty and to correct the prevalent misapprehension in regard to the relative proportion of imports and exports.

The second statement is now, we believe, for the first time published in its present shape; and we commend it to the careful study of those who would comprehend the value of the Provincial market to some of the leading branches of American industry. With reference to some articles, it will be seen that our exports to the Provinces exceed the total of exports to all other countries; and, in more numerous instances, exports to the Provinces surpass in value our exports to any one of the most populous countries of the old world. The claims of the Provinces to be classed amongst the best customers of the United States seems, therefore, to be fairly established.

I.—Imports and Exports from and to Canada and the British North American Provinces, embraced within the Reciprocity Treaty, from June, 1853, to June, 1864.

	Total Imports.	Total exports.
Year ending June 30, 1854	$8,927,560	$24,586,860
" " 1855	15,186,734	27,806,020
" " 1856	21,310,421	29,029,349
" " 1857	22,124,296	24,262,482
" " 1858	15,806,519	23,651,727
" " 1859	19,727,551	28,154,174
" " 1860	23,851,381	22,706,328
" " 1861	23,062,933	22,745,613
" " 1862	19,299,995	21,079,115
" " 1863	24,025,423	31,281,080
" " 1864	38,922,015	28,986,641

II.—Statement showing the relative position of Canada and the British North American Provinces among the thirty-two Foreign Countries to which the under-mentioned articles were exported from the United States during the fiscal year ending 30th of June, 1865.

Articles exported.	To Canada & Brit. N. A. Provinces.	To all other countries.	Total exports.
Acids	$23,382	$25,568	$48,930
Animals, living—Horses	59,078	51,157	110,230
Cattle	111,318	47,861	159,179
Sheep	35,645	36,553	72,198
Other animals and fowls	3,668	14,023	17,691
Apples, green	367,672	111,584	479,256
Dried	42,707	56,844	99,551
Bark, etc., and tanners' dyes	3,600	154,895	158,495
Beef	126,560	3,178,211	3,304,771
Beer, ale, porter and cider.....casks.	10,932	130,413	141,345
Billiard tables and apparatus	6,001	40,761	46,762
Books—printed, blank and pocket	63,474	335,606	399,080
Boots and shoes	218,256	1,804,954	2,023,210
Bricks	11,575	49,295	60,870
Brooms and brushes	29,256	151,726	180,982
Butter	265,311	6,968,862	7,234,173
Cables and cordage	92,752	879,596	972,348
Candles, other than sperm and paraffine	55,308	1,195,815	1,251,123
Carriages and parts, and children's do	29,815	868,078	897,893
Cars, railroad and materials	11,950	365,919	377,869
Cheese	234,565	11,450,362	11,684,927
Clocks	13,942	891,599	905,541
Clothing—wool or cotton	102,626	1,353,684	1,456,310
Clover seed	22,464	424,381	446,845
Coal	555,323	793,089	1,348,371
Confectionery	6,793	38,663	45,456
Copper and brass, manufactures of	28,085	252,953	280,988
Cotton, other than Sea Island	43,175	5,381,195	5,424,370
Cotton manufactures—			
Bleached, printed and colored	23,423	594,800	618,223
Brown drills, sheeting, etc	17,340	27,402	44,742
All other	93,076	2,465,800	2,558,876
Drugs used in the arts	29,249	22,423	51,672
Earthen and stone ware	16,023	71,934	87,957
Eggs	17,713	43,505	61,218
Fancy goods	50,531	400,075	450,606
Fertilizers	26,670	21,226	47,896
Fish, dried or smoked	38,223	1,069,544	1,107,767
Fruits, dried and preserved	34,106	274,748	308,854
Glassware	151,879	1,093,709	1,245,588
Glue	7,962	24,794	32,756
Hams and bacon	337,617	10,184,085	10,521,702
Hardware	176,018	1,885,465	2,061,483
Hats of wool, fur, or silk	46,266	143,932	190,198

Articles exported.	To Canada & Brit, N. A. Provinces.	To all other countries.	Total exports.
Hay	23,279	175,505	198,784
Hemp	109,246	150,147	259,393
Hides	142,136	880,460	1,023,596
Hops	19,863	1,328,400	1,348,263
Household furniture	237,920	1,877,718	2,115,638
India rubber, manufactures of—shoes	9,125	21,810	30,935
Indian corn	1,030,042	2,649,091	3,679,133
Meal	238,608	1,256,283	1,489,885
Iron and manufactures of—			
Railroad bars or rails	19,440	83,632	103,072
Castings and cast pipe	44,333	16,736	61,058
Nails	27,028	908,752	935,780
Steam engines and boilers	28,775	574,777	603,552
Other finished machinery	83,353	2,016,771	2,100,124
Mac inery furnishings, &c	49,509	5,320	54,829
Boiler plate and other wrought	800	754	1,554
Safes and wrought doors	14,131	44,530	58,661
All other	274,861	602,285	876,646
Steel	875	3,032	3,907
Steel springs and other mfs of, not spec	2,791	53,881	56,672
Lampblack	643	4,842	5,485
Leather and manufactures of	183,066	334,651	517,717
Lime and cement	27,950	57,439	85,389
Lumber—Laths, pickets, &c	4,911	22,258	27,169
Marble and stone manufactures	50,088	134,459	184,512
Rough stone	29,029	40,787	69,816
Masts and spars	5,336	134,568	139,904
Matches	7,866	145,794	153,590
Mathematical and scientific instruments	500	1,218	1,718
Medicines, prepared and patent	38,542	81,983	120,455
Musical instruments	109,292	161,219	270,511
Oils—Whale and other fish	59,295	757,199	816,494
Lard, &c., including tallow oil	25,950	129,504	155,454
Onions	16,977	203,717	220,694
Oysters	9,579	112,590	122,169
Paints Prepared	24,339	173,905	198,734
Paper and Stationery	95,817	670,611	766,428
Pickles and Sauces	4,488	38,065	42,553
Pork and Hogs	2,563,830	4,292,066	6,855,906
Potatoes	16,339	708,264	724,593
Rags	3,665	173,314	176,979
Rice	4,702	58,728	63,430
Rosin and turpentine	8,766	148,896	157,662
Rye and small grain—			
Rye	37,395	96,085	133,480
Oats	84,715	173,234	258,949
Beans	26,088	171,808	197,896
Peas	6,780	173,280	180,060
Barley	53,472	4,179	57,651
Salt	280,298	75,171	355,469
Sand and other ballast	4,660	7,698	12,358
Scales and balances	9,744	134,528	144,272
Seeds	12,185	175,145	187,330
Shingles	16,726	153,034	173,760
Skins other than fur	16,161	596,623	612,784
Snuff	1,283	37,897	39,129
Spirits and liquors other than Alcohol—			
Whiskey	17,943	181,280	198,993
Brandy	3,955	60,471	63,726
Wines	15,337	45,939	61,276
Cordials and all other	8,590	62,655	71,245
Starch	11,808	199,294	211,102
Stoves and stove furnishings	64,915	146,644	211,559
Straw goods	1,399	11,865	13,264
Sugar and molasses—			
Brown	18,643	1,974	20,617
Refined	30,684	254,262	284,946
Molasses	12,220	4,048	16,268
Tallow	179,470	4,799,665	4,979,135
Tar and Pitch	14,717	61,317	76,034
Telegraphic instruments and apparatus	8,412	83,164	91,576
Tinware	4,210	96,662	100,872
Tobacco manufactured	529,728	2,910,251	3,439,979
Cigars	9,439	130,827	140,266
Trunk and valises	9,402	198,543	207,945
Varnish	12 195	54,787	66,982
Vegetables not specified	22,608	51,353	73,961
Vinegar	11,619	54,481	46,100

Articles exported.	To Canada & Brit. N. A. Provinces.	To all other countries.	Total exports.
Wagons, carts and wheelbarrows	10,714	323,084	333,798
Wheat	5,006,830	14,390,367	19,397,197
Wheat-flour	5,886,396	21,335,635	27,222,031
Window-sashes and blinds	11,590	43,222	54,812
Woodenware	89,245	357,407	5 6,652
Wood manufactures not specified	70,443	787,793	858,236
Wool	33,941	220,780	254,721
Woolen cloths and other manufactures of wool not specified.	53,693	78,851	132,544
Unenumerated articles	255,689	285,194	540,883

ANALYSES OF RAILROAD REPORTS. No. 10.

I. Pittsburg, Fort Wayne and Chicago Railway.—II. Illinois Central Railroad.—III. Chicago and Rock Island Railroad.

PITTSBURG, FORT WAYNE AND CHICAGO RAILWAY.

The Pittsburg, Fort Wayne, and Chicago *Railway* Company are a reorganization of the P. F. W. & C. *Railroad* Company, which in 1856 (August 1) had been formed by consolidating three original companies whose lines conjointly connected the cities of Pittsburg, Pa., and Chicago, Ill. The latter, having become involved in debt, was sold out under foreclosure on the 24th October, 1861, and purchased by the agents of the present company, formed February 26, 1862, to which the property was finally conveyed March 1, 1862. This change having been made with the sanction of the stock and bondholders of the old corporation, involved no business revolution, but was simply an amendment in financial arrangement for the benefit of all interests. Since this period the reorganized company have made four annual reports, from which we compile the following statements showing their material and financial condition at the close of each year, and the operations of the company for the four years from January 1, 1862.

RAILROAD AND ROLLING STOCK.

The main railroad of the company is 468 miles long; and in reference to its total length in equivalent single track at the end of each year has exhibited the following changes:

	1862.			1863.			1864.			1865.		
	E.D.	W.D.	Tot'l.	E.D.	W.D.	Tot.	E.D.	W.D.	Tot.	E.D.	W.D.	Tot.
Main line	188	280	468	188	280	468	188	280	468	188	280	468
Sec'd track	16	...	16	16	...	16	26	...	26	26	7	33
Sidelngs	27	19	46	34	34	68	41	41	82	47	48	95
Total	231	299	530	238	314	552	255	321	576	261	335	596

The late Cleveland, Zanesville, and Cincinnati Railroad, commonly called the "Akron Branch," 61 miles, was purchased by the company in 1865. This road extends from Hudson to Millersburg, Ohio, crossing the P., F. W. and C. Railway at Orrville, 124 miles from Pittsburg, 38 from Hudson, and 23 from Millersburg.

Since July 1, 1865, the company has operated under lease the Newcastle and Beaver Valley Railroad, from Homewood, (35 m. W. from Pittsburg) to Newcastle, 15 miles.

The use of that portion of the company's railroad between Pittsburg and Rochester, 26 miles, is rented to the Cleveland and Pittsburg Company at $85,000 per annum.

By agreement dated December 15, 1862, the P., Ft. W. and C. and the C. and P. railroad companies consolidated their gross earnings, the aggregate to be divided to

the first named in the proportion of 73¼ per cent, and to the latter of 26¾ per cent. An amendment to this agreement, made Feb. 16, 1866, provides that whenever the gross earnings of either road shall exceed the per centage fixed, such excess shall be equally divided between the contracting parties.

The number of locomotives and cars owned by the company at the close of each fiscal year has been as follows:

		1862.	1863.	1864.	1865.
Locomotives		119	146	183	189
First class coaches	Passenger trains	53	67	73	93
Second do		8	8	8	8
Mail cars		6	6	7	7
Baggage cars		14	18	18	23
Express cars		3	13	19	19
Emigrant cars		8— 92	16— 128	18— 143	18— 167
Box cars	Freight trains,	655	626	812	883
Stock & caboose		316	433	535	547
Platf'rm & coal		297- 1,268	520- 1,579	629- 1,976	759- 2,189
Total cars		1,360	1,707	2,119	2,356

Besides which the company own a liberal supply of wood and working cars, snow plows, derricks, &c, &c.

BUSINESS OPERATIONS ON THE ROAD.

The following statements show the mileage of engines, the mileage of passenger and freight cars, the number of passengers carried and the mileage thereof, the tons of freight carried and the tons carried one mile for the same years.

Mileage of locomotive engines hauling cars—

	1862.	1863.	1864.	1865.
Passenger Engines	859,308	1,068,170	1,287,158	1,408,845
Freight "	1,651,072	2,114,853	2,293,560	2,887,458
Wood "	122,436	108,289	120,334	120,715
Ballast "	61,651	181,732	217,386	263,481
Total	2,694,467	3,472,914	3,918,438	4,694,999

Mileage of passenger and freight cars—

	1862.	1863.	1864.	1865.
Passenger cars	2,246,223	2,855,280	4,315,650	5,522,129
Baggage cars	1,132,696	1,258,797	1,710,665	2,169,054
Total in passenger trains	3,378,924	4,114,077	6,026,315	7,691,183
Freight cars	21,154,406	26,409,318	27,938,931	34,093,899
Total miles run by cars	24,533,330	30,523,395	33,965,246	41,785,082

Passengers carried and passenger mileage, &c:

	1862.	1863.	1864.	1865.
Passengers Eastward	312,806	399,175	627,058	691,596
" Westward	344,079½	442,857	657,147	769,599
Both directions	656,885½	842,032	1,284,205	1,461,195
Mileage: eastward	19,517,678½	29,571,835	35,068,591	34,504,031
" westward	25,893,776½	31,864,434	54,753,077	67,027,789
Both directions	45,311,455	61,436,266	89,821,668	101,531,820
Revenue from passengers	$1.116,741	$1,562,409	$2,696,386	$3,891,221

From which we deduce the following proportional results—

	1862.	1863.	1864.	1865.
Ave. journey per passenger ..... miles.	69.07	72.96	69.99	69.50
Revenue per passenger	$1:70	1:86	2:10	2:32
" per mile travelled	0:02.47	0:02.54	0:03.00	0:03.34

Tons of freight carried and tons carried one mile, &c.:

	1862.	1863.	1864.	1865.
Tons: eastward	373,977	451,871	497,276	465,892
" westward	269,130	353,654	371,652	366,723
Both directions	643,107	805,525	868,928	832,615

Mileage: eastward	83,294,054	105,817,270	110,348,935	128,940,416
" westward	42,752,851	60,753,361	64,272,935	64,849,485
Both directions	126,046,905	166,570,631	174,621,870	193,789,901
Revenue from freight	$2,401,630	$3,341,034	$4,148,504	$4,739,068

From which are deducted the following results:

Average carriage per ton...miles.	196.00	206.77	208.31	232.75
Revenue per ton	$3:73	4:14	4:83	5:69
" per ton per mile	0:01.90	0:02.91	0:02.38	0:02.44

The freight (tons) included in the above table is classified as follows:

	1862.	1863.	1864.	1865.
Product of forest—lumber	40,263	51,100	57,987	47,210
" " —other	1,776	1,502	15,914	26,000
Animals—live stock	122,231	156,849	164,262	184,242
" products of	59,971	70,165	61,660	57,108
Agricult'l products—flour & grain	102,973	105,430	101,180	96,206
" " other	26,006	31,583	36,855	33,512
Manufactures	93,883	131,782	166,792	150,033
Merchandize	66,041	103,773	75,590	75,066
Iron rails	.....	....	6,712	13,584
Miscellaneous—coal	100,627	120,773	150,153	129,770
" other	9,336	15,346	21,823	20,864
Total tons	643,107	788,090	858,928	832,615

The following are specifically enumerated—

	1862.	1863.	1864.	1865.
Horses...head	35,966	41,654	26,198	22,011
Cattle... "	85,866	129,573	163,395	221,717
Sheep... "	115,897	348,721	444,383	231,744
Hogs... "	426,821	480,697	451,654	463,691
Beef...bbls	13,283	8,759	6,304	5,950
Pork... "	28,430	30,147	44,723	41,998
Flour... "	392,444	407,504	301,809	427,381
Liquors... "	.....	111,057	95,336	86,603

OPERATING ACCOUNTS—EARNINGS, EXPENSES, ETC.

The yearly earnings of the road for the four years ending December 31, 1865, the operating expenses and the net earnings for the same have been as follows:

	1862.	1863.	1864.	1865.
Freight earnings	$2,401,630 13	$3,341,933 65	$4,148,503 00	$4,739,067 88
Passenger "	1,116,740 62	1,562,409 05	2,696,387 00	149,658 52
Express "	36,107 32	33,053 75	68,306 22	3,391,221 46
Mails "	93,900 00	93,900 00	93,900 00	93,900 00
Rent of road to C. & P. R.R Company	85,000 00	85,000 00	85,000 00	85,000 00
Other rents	3,619 73	2,835 33	1,345 83	4,861 12
Miscellaneous	8,312 82	14,701 96	27,023 81	25,354 08
Total earnings	$3,745,310 62	$5,132,933 74	$7,120,465 76	$8,489,062 56
Conducting transportat'n	$504,867 80	$779,316 48	$1,036,209 41	$1,220,978 76
Motive power	634,006 55	904,246 19	1,260,900 37	1,520,948 54
Maintenance of way	501,420 68	893,311 96	1,118,496 62	1,344,674 25
" " cars	169,122 72	232,078 98	334,946 91	539,103 94
General expenses	68,980 97	217,356 95	355,850 32	587,810 09
Total expenses	$1,878,398 72	$3,026,310 56	$4,101,398 63	$5,205,515 58
Net earnings	$1,866,911 90	$2,106,623 18	$3,019,067 13	$3,283,546 98

The following abstract of the income account exhibits the total fiscal operations of the company for the same years:

	1862. (8 months)	1863. (year)	1864. (year)	1865. (year)
By balance	$.....	$.....	$97,055 00	$1,818,070 45
By discount on bonds redeemed	600 00	.....	.....	.....
By gross earnings	2,599,159 34	5,132,933 74	7,120,465 76	8,489,062 56
By C. & P. R.R. Co., on account of joint earnings	.....	90,042 33	39,035 33	.....
By assets of trustees, credited to income account	.....	362,782 24	116,017 58	.....
By balance to debit side	183,671 11	.....	.....	.....
Credit	$2,783,430 45	$5,585,758 31	$7,372,573 67	$10,307,133 01

To balance		183,671 11		
To operating expenses	1,842,919 64	3,026,310 56	4,101,398 63	5,205,515 58
To interest on bonds	427,115 38	760,559 39	922,322 09	899,690 00
To dividends on stock			530,782 50	872,827 50
To C. & P. R.R. Co., on account of joint earnings				277,029 18
To construction, &c	970,147 56	1,517,162 25		
To taxes and sundries	43,247 87			
To balance to credit side		97,055 00	1,818,070 45	3,062,130 75
Debit	$2,783,430 45	$5,585,758 31	$7,372,573 67	$10,307,183 01

GENERAL ACCOUNT—LEDGER BALANCES.

The financial condition of the company, as shown in general account Dec. 31, yearly, has been as follows:

	1862.	1863.	1864.	1865.
Capital stock	$5,709,591 61	$6,164,531 89	$8,181,126 12	$9,312,442 00
Funded debt	12,985,173 00	12,935,173 00	12,656,000 00	12,573,500 00
Due to other companies	44,623 45	34,432 48	60,481 82	184,871 85
Miscellaneous liabilities	36,651 54	242,188 22	371,676 71	448,041 24
Current expenses on debt and princ.	413,237 89	544,297 75	833,421 14	849,376 12
Trustees	312,399 20	12,110 56	20,893 66	115,331 13
Balance to credit of income		97,055 00	1,818,070 45	3,062,130 75
Total	$19,451,676 69	$20,029,795 90	$23,942,669 90	$26,545,693 09
Cost of railway, &c	17,726,353 42	18,191,293 70	21,164,329 77	23,183,381 33
Supplies on hand	462,541 08	536,719 22	1,052,058 70	969,053 93
Due from other companies	121,429 15	296,436 59	606,185 41	417,948 84
Miscellaneous assets	306,014 73	674,506 29	768,519 86	963,550 14
Cash in hand	641,667 21	330,840 10	351,576 15	1,011,758 85
Balance to debit of income	183,671 11			
Total	$19,451,676 69	$20,029,795 90	$23,942,669 90	$26,545,693 09

The principal items (other than current) included under the head of "Miscellaneous Assets," at the close of each fiscal year, are shown in the following statement:

	1862.	1863.	1864.	1865.
Western Union Telegraph Co.	$3,830 02	$7,683 77	$14,815 87	$22,743 32
" " (new)				9,195 17
Akron Branch Bank (cost)				179,629 40
Stock account				26,954 80
Bond script		2,462 81	3,452 46	3,579 71
Sinking funds			104,100 00	208,200 00
Crestline estate			8,006 60	9,538 99
Illinois & So. Iowa R.R. Co., bond account				10,094 61
Pittsburg Grain Elevator—stock account				8,750 00
Union Stock Yards, Chicago				149,861 71

The principal items under the head of "Miscellaneous Liabilities," are interest and dividends uncalled for and bills payable—the latter as follows: In 1862, $2,781; in 1863, $198,369 26; in 1864, $228,050, and in 1865, $286,920 50.

The expenditures on account of construction and equipment, for the last four years, have been to the following amounts:

Fiscal years.	Eastern Division. (188 miles)	Western Division. (280 miles)	Total. (468 miles)
1862 (4 months)	$67,472 57	$64,812 43	$132,285 09
1863 (8 months)	363,302 02	606,845 54	970,147 56
1863	633,084 01	884,078 24	1,517,162 25
1864	1,510,223 08	1,193,518 76	2,703,741 84
1865	1,149,575 87	860,334 81	2,009,910 68
Aggregate	$3,723,657 55	$3,609,589 78	$7,333,247 33

The funded debt of the company on the 31st December, 1865, was constituted as follows:

Series.		Amount.	Rate.	Interest payable.	First coupon paid.
First Mortgage Bonds—A		$875,000	7	Jan. & July.	July 1, 1862
(dated Mar. 1, 1862, and payable July 1, 1912.)	B	875,000	7	Feb. & Aug.	Aug. 1, 1862
	C	875,000	7	Mar. & Sep.	Sep. 1, 1862
	D	875,000	7	April & Oct.	Oct. 1, 1862
	E	875,000	7	May & Nov.	Nov. 1, 1862
	F	875,000	7	June & Dec.	Dec. 1, 1862

Second Mort'ge Bonds—G	860,000	7	Jan. & July.	Jan. 1, 1886
(dated Mar. 1, 1862, H	860,000	7	Feb. & Aug.	Feb. 1, 1862
and payable July I	860,000	7	Mar. & Sep.	Mar. 1, 1863
(1, 1912.) K	860,000	7	April & Oct.	Oct. 1, 1863
L	860,000	7	May & Nov.	Nov. 1, 1862
M	860,000	7	June & Dec.	Dec. 1, 1862
Third Mortgage Bonds. (dated, &c., same.)	2,000,000	7	April & Oct.	.....
Bridge Bonds (C. & P. RR.) (dated May 1, 1856; due May 1, 1876.)	163,500	7	May & Nov.	Nov. 1, 1856
Total	$12,573,500			

COST OF ROAD AND EARNINGS, ETC., SINCE CONSOLIDATION.

The business of the consolidated road dates from August 1, 1856. The following shows the progress of construction, and the result of operations for the nine years and five months since that date to December 31, 1865 :

Fiscal years.	Cost of road, &c.	Miles of road.	Gross earnings.	Operating expenses.	Nett earnings.	Divid'ds on stock.
1 56 (5 mon)	$12,764,894	338	$795,579	$273,434	$522,145	.....
1857	14,048,759	383	1,660,425	1,086,011	625,414	349,880
1858	14,631,110	383	1,567,232	965,573	601,659	.....
1859	15,557,779	465	1,965,988	1,291,333	674,655	.....
1860	16,700,407	467	2,335,354	1,573,799	761,555	.....
1861	18,663,595	467	3,031,787	1,732,066	1,299,721	.....
1862	17,736,353	468	3,745,311	1,878,399	1,866,912	.....
1863	18,191,293	468	5,132,934	3,026,311	2,106,623	.....
1864	21,164,330	468	7,130,466	4,101,399	3,019,067	530,782
1865	23,183,381	468	8,489,062	5,205,515	3,283,547	874,927

The following, deduced from the above statement, exhibits the cost, earnings, &c, per mile, the rate of expenses to earnings and of the nett earnings to cost of road ; also, the rate of dividends paid for the same years :

	Cost of road, &c. p. mile.	Per mile of road. Gross earnings.	Operat'g expenses.	Nett earn'gs.	Rates p. c. Exp. to earn'gs.	Nett earn. to cost, &c.	Divi's in st'k p. c..
1856	$37,900	$2,354	$513	$841	21.79	2.23	nil.
1857	36,700	4,336	2,705	1,631	62.39	4.44	6
1858	38,200	4,092	2,521	1,571	61.62	4.11	nil.
1859	33,400	4,228	2,777	1,451	65.68	4.34	"
1860	35,500	5,001	3,370	1,631	66.74	4.69	"
1861	39,990	6,492	3,709	2,783	57.13	6 95	"
1862	37,800	8,003	4,014	3,989	50.00	10.61	"
1863	38,900	10,968	6,463	4,506	58.92	11.61	"
1864	45,200	15,214	8,763	6,451	57.66	14.27	7½
1865	49,500	18,139	11,123	7,016	61.45	14.19	10

PRICE OF STOCK AT NEW YORK.

The following table exhibits the monthly range of prices paid for the stock of this company in New York during the years 1863, '64 and '65 :

	1863.	1864.	1865.
January	60½@76	83¾@ 89	90 @102½
February	61½@68¾	87 @101	90 @ 97½
March	56 @57	98 @146½	77½@ 95½
April	57 @69	101 @152½	80¼@100
May	67½@85¼	105¼@121½	90¾@102
June	61 @78¾	112 @119	91½@ 97
July	64 @78½	109 @117	95¾@101
August	71 @96	110 @117	92 @ 98¾
September	71 @92½	94 @110¾	97½@100
October	82¼@91	87 @102½	95¾@107
November	78 @90	100¼@110	101¾@106¾
December	79¼@87	99¾@106¾	102 @106¾
Year	56 @96	83¾@152¾	77¾@107

ILLINOIS CENTRAL RAILROAD.

The Illinois Central Railroad appears on the map as a great Y, with its foot resting on Cairo at the confluence of the Ohio with the Mississippi, and its arms—the one on Chicago, the principal port of Lake Michigan, and the other on Dunleith (opposite Dubuque), the most northerly port of Illinois on the upper Mississippi The length of these several constituents of the road is as follows:

Leg	Centralia to Cairo	113	miles.
Right arm	" to Chicago	253	"
Left arm	" to Dunleith	343	"
Total length of lines owned by Company		703	miles.

The whole line was completed and opened for travel and traffic in 1856, the last rail having been laid down on the 27th September of that year. Since this date ten annual reports have been issued; but as the whole road has been in use less than ten years the following statements so far as they relate to business operations, cover only the results of the nine full years ending December 31, 1865. The fiscal operations of the company are given for the ten years 1856—1865 both inclusive.

EQUIPMENT—ENGINES AND CARS.

The following statement exhibits the amount of rolling stock, in use or otherwise owned by the company at the close of the fiscal years 1856-65:

Close of years.	Loco-motives.	Number of Cars.—Pass.	Bag., &c.	Fre't.	Close of years.	Loco-motives.	Number of Cars.—Pass.	Bag., &c.	Fre't.
1856	91	62	18	1,610	1861	128	71	23	2,347
1857	127	75	23	2,301	1862	112	71	23	2,312
1858	129	73	24	2,305	1863	116	73	29	2,955
1859	128	73	23	2,382	1864	126	78	29	3,275
1860	129	61	23	2,310	1865	148	79	33	3,337

The locomotives on December 31, 1865, were classified as follows:—25 in passenger trains, 81 in freight trains, 8 in working trains, 16 in switching, 1 in running pay car and 22 under repairs in shops. Excepting 9, all the locomotives were coal burners.

OPERATIONS—ENGINE MOVEMENTS, PASSENGER AND FREIGHT TRAFFIC, ETC.

The following statements exhibit the main features of the operations of the company yearly for the nine years ending December 31, 1865.

The miles run by locomotives hauling trains were as follows:

Years.	Pass.	Freight.	Work'g	Wood.	Switch'g.	Total.	Cost p m;
1857	968,443	865,921	160,765	71,061	163,708	2,229,898	26:22 cts.
1858	899,925	726,480	185,843	29,200	156,696	1,998,144	19:81 "
1859	953,228	838,205	175,447	42,080	183,894	2'142,864	20:78 "
1860	926,843	1,194,562	122,277	61,737	202,403	2,487,822	20:17 "
1861	807,386	1,348,558	62,994	34,675	204,380	2'458,023	18:92 "
1862	855,522	1,224,332	59,176	1,780	420,382	2,561,192	17:42 "
1863	952,875	1,611,197	110,886	1,769	333,970	3,010,697	23:28 "
1864	942,580	1,997,709	75,826	4,620	366,115	3,386,850	33:52 "
1865	1,010,961	1,977,163	69,878	3,027	446,437	3,507,466	37:44 "

The number and mileage of passengers, &c., yearly, were as follows:

Fiscal years.	Miles run by trains.	Number of passeng's.	Passengers carried one mile.	Average miles to pass.	Revenue.—Amount.	P. pass. p. m.
1857	968,443	714,707	53,248,800	74.7	$1,064,978	2:00 cts
1858	899,925	568,670	32,812,259	55.9	819,829	2:49 "
1859	953,383	609,585	38,494,814	63 1	811,413	2:09 "
1860	926,843	496,391	39,111,459	79.6	846,693	2:16 "
1861	807,386	491,583	33,089,135	67.3	804,769	2:43 "
1862	855,522	674,767	62,580,421	92.7	1,329,766	2:12 "
1863	952,875	852,659	73,078,753	85.7	1,797,973	2:46 "
1864	944,580	1,108,937	96,811,726	87.3	2,360,898	2:44 "
1865	1,010,961	1,214,054	88,614,439	73.0	2,722,203	3:07 "

The number of tons of freight carried, and the tons of freight carried one mile, &c., are shown in the following statement:

Fiscal years.	Miles run by trains.	Tons of freight carried.	Tons carried one mile.	Average miles p. ton.	Revenue. Amount.	Revenue. P. ton p. m.
1857	865,921	440,332	.....	.....	$1,087,988	.... cts.
1858	736,480	381,568	.....	.....	975,945	.... "
1859	838,205	422,433	51,650,364	122.3	1,107,019	2:14 "
1860	1,124,562	590,343	85,102,839	144.2	1,628,711	1:91 "
1861	1,348,588	720,866	103,437,547	143.0	1,976,136	1:91 "
1862	1,294,332	806,685	101,762,144	126.0	1,996,768	1:96 "
1863	1,611,197	952,814	134,777,404	141.4	2,682,559	1:96 "
1864	1,997,709	1,022,024	153,271,668	150.7	3,853,808	2:51 "
1865	1,977,163	1,064,946	186,494,661	132.3	4,941,172	2:10 "

FISCAL OPERATIONS—EARNINGS, EXPENSES, ETC.

The sources and amount of gorss earnings, the expenses of operating the road, and the amount of profits yearly for the ten years ending December 31, 1865, are showed in the following statement:

Fiscal years.	Gross earnings. Passeng's.	Freight.	Other.	Total	Operati'g expenses.	Profits. Gross.	Nett.
1856	$1,112,402	$1,155,471	$207,162	$2,476,035	$1,459,966	$1,016,069	$938,437
1857	1,064,978	1,087,988	254,237	2,357,203	1,820,084	537,119	391,473
1858	819,829	975,945	180,804	1,976,578	1,419,955	556,623	424,618
1859	811,412	1,107,019	196,018	2,114 449	1,509,580	604,869	492,765
1860	846,698	1,628,711	251,187	2,721,591	1,693,404	1,028,187	850,630
1861	804,769	1,976,136	218,707	2,699,612	1,584,344	1,315,268	1,150,908
1862	1,329,766	1,995,767	220,294	3,445,827	1,615,256	1,830,571	1,600,571
1863	1,797,972	2,566,759	272,097	4,636,828	2,151,787	2,485,041	2,118,847
1864	2,360,398	3,706,632	263,417	6,329,447	3,460,739	2,868,708	2,463,194
1865	2,722,262	4,040,587	418,359	7,181,208	4,509,794	2,671,414	2,174,924

The last column shows the profits less the charter tax of 7 per cent on the gross earnings, payable to the State of Illinois. Including the income from land the net receipts have been as follows:

Fiscal Years.	Profits as above.	Net rec. from L'd D'p't applic. to— Interest fund	Construct'n bonds.	Free land bonds.	Free land fund.	Profits & lose.	Total means.
1856	$938,437	$204,861	$116,104	$11,847	....	....	$1,271,249
1857	391,473	300,529	436,786	54,401	....	....	1,183,191
1858	424,618	157,114	374,173	56,951	....	....	1,012,856
1859	492,765	72,202	39 ,545	14,802	$44,763	....	1.016,076
1860	850,630	173,069	428,164	.....	52,060	....	1,503 943
1861	1,150,903	228,853	359,929	.....	72,376	....	1,787,056
1862	1,600,571	212,526	192,991	.....	57,827	....	2,063,714
1863	2,118,847	666,244	466.706	.....	151,084	....	3,396,881
1864	2,463,194	730,971	1,440,090	.....	290,620	$63,604	4,987,478
1865	2'174,924	433,905	1,212,092	.....	288,910	59,863	4,166,664

From which were disbursed the interest and dividend accounts as follows:

Fiscal Years.	Coupons on bonds, viz— Construc-tion.	Free land.	Other bonds.	Redemp-tion.	Interest on full stock.	Sterl-ing ex-change.	Divid's on shares.	Cancel'd bnds, scrip divid's.
1856	$1,095 187	$209,552	.....	.....	.....	.....	.....	.....
1857	1,081.318	207,445	$58,590	.....	.....	.....	.....	.....
1858	1,110,610	202,160	27,527	.....	.....	.....	.....	.....
1859	1,065,065	197,635	44,820	.....	.....	.....	.....	.....
1860	1,026.507	119,497	38.560	.....	$111,271	.....	.....	.....
1861	1,026,987	.....	30,827	.....	319,062	.....	.....	.....
1862	1,008.867	.....	28,732	.....	357,640	.....	.....	.....
1864	990,337	.....	25,790	.....	194,500	$77,670	$779,056	.....
1864	950,212	.....	23,055	$26,750	.....	118.718	1,665,830	$1,772,270
1865	643,875	.....	12,635	153,540	.....	128,537	2,236,587	.....

—and up to the close of 1857 interest was paid on the share stock. The balance remaining after paying the above has mainly been applied to construction.

CAPITAL ACCOUNT.

The following is an analysis of the General Balance Sheet presented at the close of each year:

Close of y'r.	Capital stock.	Cancelled construc. bonds scrip.	Funded debt.	—Bonds canc'd by Land Construc.	Depart— F. l'ds.	Net float. liabilities.	Bonds deliv'd Land Dept.*	Total amount.
	$	$	$	$	$	$	$	$
'56	3,258,615	.....	17,705,495	.....	.....	2,136,229	.....	23,100,339
'57	6,556,485	.....	18,00[illegible],650	.....	.....	2,307,042	.....	26,872,127
'58	80,181,210	.....	17,532,779	.....	.....	396,167	.....	†28,163,156
'59	11,117,090	.....	17,962,749	.....	.....	675,603	.....	‡30,020,302
'60	15,654,980	.....	15,672,340	.....	7,621	.....	.....	33,211,720
'61	15,329,095	1,884,500	15,277,500	2,096,500	133,000	172,929	.....	33,504,024
'62	16,894,360	1,772,270	15,060,500	2,276,500	133,000	.....	.....	36,071,630
'63	17,343,700	1,772,270	14,649,000	2,671,000	.... .	.....	.....	36,335,970
'64	20,808,100	169,010	13,232,000	.....	.....	.....	3,871,000	38,080,110
'65	23,374,400	87,160	12,331,500	.....	.....	.... .	4,925,000	40,668,060

Against which are charged, viz.:

Fiscal Years.	Permanent Expendit's.	Interest & Dividend account.*	Sundry Items.	Net assets in Chic. & N. Y.	Working stock of supplies.	Total account.
1856	$21,447,949	$1,623,538	$29[illegible],852	.....	.....	$23,100,339
1857	23,437,669	2,829,053	.....	.....	$605,405	26,872,127
1858	23,726,241	3,886,733	.....	... ..	551,182	28,163,156
1859	24,166,782	4,728,203	695,268	.....	429,954	30,020,202
1860	27,195,391	4,996,214	31,054	$509,940	479,121	33,211,720
1861	27,492,988	4,978,366	.....	544,565	488,103	33,504,024
1862	27,764,671	6,284,741†	.....	1,495,081	616,136	39,971,630
1863	28,610,229	5,283,920†	.....	1,826,396	615,425	36,335,970
1864	29,675,410	4,521,108	353,673	2,456,242	1,073 677	38,080,110
1865	30,519,644	7,161,608	367,967	1,732,163	876,478	40,668,060

The following statement exhibits the amount of each series of bonds outstanding December 31, yearly:

Dec. 31,	Construction bonds.	Free land bonds.	Optional right bonds.	Debentures.	8 per ct. bonds.	Total amount.
1856	$14,798,945	$2,079,877	$826,673	$.....	$.....	$17,705,495
1857	15,192,559	2,079,877	736,214	.....	.....	18,008,650
1858	15,387,902	2,079,877	65,000	.....	.....	17,532,779
1859	15,387,902	2,079,877	61,000	433,970	.....	17,962,749
1860	15,253,500	6,000	38,000	42,740	332,100	15,672,340
1861	14,913,500	.....	38,000	.....	326,000	15,277,500
1862	14,329,000	.....	33,000	.....	287,000	14,649,000
				Redemp. bds.		
1863	14,794,500	.....	33,000	.....	304,000	15,131,50[illegible]
1864	10,872,000	.. ..	33,000	2,086,000	241,000	13,232,00
1865	9,733,500	.....	32,000	2,568,000	3,000	12,331,50[illegible]

PROPORTIONAL DEDUCTIONS.

The following, deduced from the forgoing statements, exhibit the cost of the property, the amounts earned and expended in operations, and the net earnings per mile of road; the proportion of expenses to earnings, and of net earnings to cost of property; and the rate of dividends paid on the capital stock for the ten years closing with December 31, 1866:

Fiscal years.	Cost of property per mile.	—Amount per mile.— Gross earnings.	Operati'g expenses.	Net earnings.	Expenses to earnings.	Net earn. to cost of property.	Div.on stock, p. c.
1856	$30,294	$3,497	$2,172	$1,325	62.11	4.37	..
1857	33,104	3,339	2,776	563	83.39	6.67	..
1858	33,512	2,792	2,193	599	78.55	1.80	..
1859	34,134	2,986	2,290	696	76.69	2.04	..
1860	38,412	3,844	2,643	1,201	68.97	3.13	..
1861	38,832	4,095	2,470	1,625	60.32	4 19	..
1862	39,217	4,867	2.606	2,261	53.54	5.77	..
1863	40,410	6,549	3,555	2,994	54.30	7.41	4
1864	41,914	8,940	5,461	3,479	61.09	8.30	8
1865	42,107	10,143	7,071	3,072	69.71	7.13	10 & 10
1866, Dividend in February							5

* Less amount in hands of Trustees.
† & ‡ Including Trustees Peoria & Oquawka R.R. bonds.
‡ Interest and dividend account, less avails of interest fund.
‖ Including $1,772,270 cancelled bonds scrip dividends of October, 1858, and January

PRICE OF STOCK AT NEW YORK.

The following statement exhibits the monthly range at which the company's stock has sold for the last past six years:

	Scrip Stock.			Full Stock.		
	1860.	1861.	1862.	1863.	1864.	1865.
Jan	55¾@58¾	74½@88¾	61 @64	83¾@ 91	112 @122	111 @127¼
Feb	56 @57	69¼@84¾	55¼@63¾	88 @ 93	115 @125	114 @122
Mch	58 @63	75½@83	61¼@66¾	91 @ 91	122 @135¾	90 @119
Apr	59¾@62¼	55¾@81¾	57 @63	89 @ 90	121 @138	92 @118
May	59 @64¾	57 @70¾	60 @64	94 @107	115 @129	113 @119¾
June	61 @64	62 @69	60¾@66¾	92 @ 95	129 @132¾	116 @129
July	62¾@77	63 @69¾	55¾@61¾	96 @106	124 @131	122¼@138¼
Aug	74¾@89	63¼@65	57 @63¾	106 @126	128 @132	118¾@124¾
Sept	83½@89¼	64¼@68¼	61¾@77	111 @123	116¾@123¾	123¾@128¾
Oct	70¾@86¼	65 @69¾	76¾@84¾	113 @116	110¾@130	130 @138¾
Nov	57¾@74½	60¾@65¾	74 @81¾	115¾@119¼	123 @131¾	131¼@138
Dec	51¼@75	56 @63	76¾@80	112¾@112¾	121 @131	131 @134
Year	55¾@89¼	55½@88¾	55¼@84¼	83¾@126	110½@138	90⅜@13

CHICAGO AND ROCK ISLAND RAILROAD.

The Chicago and Rock Island Railroad extends from Chicago to Rock Island, a distance of	181.8 miles.
The Peoria and Bureau Valley Railroad, which is leased and operated by the C & R. I. Co., extends from Bureau Junction (114 miles west from Chicago) to Peoria, has a length of	46.6 "
Total line, owned, leased and operated	228.4 miles.

The doings of this Company for the five years and nine months ending March 31, 1866, a period covering the war era, are summed up in the following statements.

The extent of new side track, and the replacements by new and rerolled rail yearly have been as follows:

	1862-3. (Year.)	1863-4. (Year.)	1864-5. (Year.)	1865-6. (Year.)
New side track.....miles.	.....	2.59	1.20	1.71
Re-laid with new iron	20.25	19. 6	5.30	11.43
Re-laid with re-rolled iron	.....	.....	32.80	43.87
Total miles laid and relaid	.....	.....	39.30	57.01
Gross weight of new iron	1,003	604	500	999
Gross weight of re-rolled iron	814	2,070	3,066	4,136
Gross weight of Atlas steel rails	.....	.....	.....	26

These additions and repairs are exclusive of rails repaired at Company's shops.

The number of locomotive engines owned by the Company at the close of the fiscal year has been as follows:

	1860-1. (Year.)	1861-2. (9 mo's)	1862-3. (Year.)	1863-4. (Year.)	1864-5. (Year.)	1865-6. (Year.)
Locomotive engines	..	..	61	61	59	65

The description and number of cars built, purchased and re-built in the two last years are shown in the following:

	Built		Purchased		Re-b'lt	
	1864-5.	'65-6.	'64-5.	'65-6.	'64-5.	'65-6.
Passenger, Mail and Baggage	....	3	20	6	...	...
Freight	155	109	173	21	100	...
Total	155	112	193	27	100	...

BUSINESS OPERATIONS, YEARLY.

The following statements show the operations on the road, viz; the mileage of engines, the number and mileage of passengers, the tons and mileage of freight, the number of loaded cars and tons of freight crossing the Mississippi Bridge, &c., &c., yearly:

MILEAGE OF ENGINES HAULING TRAINS.

(9 Months.)

	1860-1.	1861-2.	1862-3.	1863-4.	1864-5.	1865-6.
Passenger eng's	349,530	264,665	354,267	348,818	347,582	364,870
Freight engines	437,269	434,649	579,115	774,008	788,056	791,387
Wood & gravel do	92,858	66,635	97,502	90,004	82,014	98,594
Total mileage	879,657	765,949	1,030,884	1,162,880	1,212,656	1,234,857
Cost of run'g eng	$201,529	$152,424	$214,218	$245,949	$401,519	$474,111
Average cost per mile run, cts	22.91	19.90	20.78	21.15	33.11	38.39

PASSENGER TRAFFIC.

	1860-1.	1861-2.	1862-3.	1863-4.	1864-5.	1865-6
Through passengers carried	.....	.....	29,352	45,130	70,234	61,371
Way " "	.....	.....	223,892	279,114	393,632	376,373
Passengers carried West	.....	76,168	122,566	166,167	227,854	204,343
" " East	.....	72,661	130,678	158,077	236,012	233,401
" " both ways	199,718	148,829	253,244	324,244	463,866	437,744
" " one mile	11,297,283	8,829,401	14,206,292	20,401,500	29,888,967	26,934,579
Avg. rate per pas per mile, cts	2.99	2.87	3.05	3.15	3.41	3.73

FREIGHT TRAFFIC.

	1860-1.	1861-2.	1862-3.	1863-4.	1864-5.	1865-6.
Lo'd cars going West	.....	12,330	16,395	20,811	24,015	23,595
" " " East	.....	24,318	31,228	31,589	32,708	31,099
" " West & East	.. ..	36,648	47,623	52,400	56,723	55,097
Freig't carried—tons (2,000 lbs)	301,669	285,144	379,879	441,510	472,557	459,956
Average load, do do	....	7.79	7.98	8.42	8 46	8.35
Tons carried 1 mile	....	....	33,558,462	56,539,150	63,414,831	59,218,395
Averg. rate per ton per mile, cts	....	....	2.69	2.58	3.50	3.45

Business between the Illinois and Iowa shores, illustrated by statements of the cars and freight passing over the Mississippi River Bridge—navigation of the Mississippi River at Rock Island illustrated by the number of steamers, barges, and rafts, passing the draw of the bridge yearly:

		1860-1.	1861-2.	1862-3.	1863-4.	1864-5.	1865-6.
Loaded Cars	Going West	6,925	4,794	5,866	7,998	9,913	8,438
	Going East	7,277	8,460	8,306	10,116	10,109	9,067
	West and East	14,202	13,254	14,172	18,114	20,022	17,505
Tons of Freight	Going West	46,360	32,427	39,039	50,741	68,844	59,573
	Going East	62,752	67,019	71,542	89,914	81,157	82,752
	West and East	109,112	99,446	110,581	140,655	150,001	142,325
Foot passengers	Going West	34,815	33,254	40,277	70,982	57,384	50,712
	Going East	35,254	33,362	40,166	69,932	58,371	50,963
	West and East	70,069	66,616	80,443	140,894	115,755	101,675
Steamers	Going North	431	152	353	196	162	473
	Going South	43	154	354	203	167	453
	North and South	....	306	707	398	329	926
Barges	Going North	....	....	....	155	125	238
	Going South	....	....	....	129	110	255
	North and South	....	....	....	284	235	493
Rafts going South		....	121	287	276	296	576

FINANCIAL RESULTS OF OPERATION.

The following statements exhibit the gross earnings, the operating expenses, and net earnings or profits yearly:

	1860-1.	1861-2. (9 mos.)	1862-3.	1863-4.	1864-5.	1865-6.
Passeng. earnings	$388,112	$254,071	$433,297	$643,775	$1,021,779	$1,005,872
Freight	784,023	737,144	1,084,850	1,448,965	2,222,369	2,016,306
Mails	21,200	21,200	21,200	21,200	21,200	21,200
Other	20,683	22,289	39,794	35,935	94,102	110,857
Total gross earngs	1,164,018	1,054,704	1,529,141	2,143,875	3,359,390	3,154,235
Total operng. exp	708,054	531,337	800,987	1,040,462	1,467,681	1,711,454
Net eargs—profits	455,964	523,317	728,154	1,103,413	1,891,709	1,442,781

The net earnings were disposed of as follows:

P. & B. R.R. Lease	$125,000	$125,000	$125,000	$125,000	$125,000	$125,000
U. S. Tax on passgr. fares	.....	.....	5,353	16,415	64,770	93,723
Illinois Tax on Real Estate	32,615	11,408	35,001	38,978	54,318	63,462
Loss on Illinois currency	26,557	.....	.....	.....	.....	.....
Legal expenses	.....	2,287	3,908	4,061	5,608	7,362
Extraordinary repairs, &c	53,868	35,875	45,791	67,754	68,190	46,438
Interest on Funded Debt	97,790	97,790	100,185	102,690	102,532	101,535
Interest on Bridge Bonds	.....	.....	.....	22,934	40,000	40,000
Dividends (incl. Excise Tax)	.....	168,090	338,239	343,438	375,041	631,579
Balance Credit Income	120,134	82,866	74,726	382,142	1,056,250	333,682

GENERAL ACCOUNT—LEDGER BALANCES.

The financial condition of the company at the close of the fiscal years ending June 30, 1861 and March 31, 1862–66 is shown in the following abstract:

	1861.	1862.	1863.	1864.	1865.	1866.
Capital stock	$5,603,000	$5,603,000	$5,608,000	$6,000 000	$6,000,000	$6,500,000
Mortgage bonds	1,397,000	1,397,000	1,397,000	1,397,000	1,397.000	1,397,000
Income bonds	.....	.....	73,000	70,000	53,500	51,000
Sundries	150	4,796	12,078	.....	.....	.....
Bal. of income	421,703	540 444	66 961	977,833	2,084,(33	2,367,764
Total	7,421,854	7,545,220	7,743,039	8,444,833	9,484,582	10,315,764
Accounted for, as follows:						
R'd & equipment	$6,987,710	$7,023,936	$7,069,727	$7,429,433	$7,804,923	$8,050,182
Fuel and mat'ls	89,957	60,154	62,268	156,976	207,260	257,218
Company's stock	101,500	101,500	101,500	.....	.....	.....
Miss. & Mo. R.R. bonds	.....	.....	.....	116,250	500,000	952,943
Miss. Bridge Co	.....	20,000	20,000	.....	.....	.....
Assets and dues	2,820	.....	279.714	116,273	245,738	174,688
Cash	239,867	187,000	209,830	625,700	726,661	881,433
Total	7,421,854	7,545,220	7,743,039	8,444,832	9,485,582	10,315,764

GENERAL REVIEW FOR TEN YEARS.

The following table gives the cost of the road (228.4 miles) estimating the cost of the P. & B. Val. R. R. at $1,250,000 and the earnings, expenses and profits of operating the road, &c., &c. yearly for the ten years ending March 31, 1866:

	Cost of Road and equipment.	Gross earn'gs	Ordinary operat'g expenses.	Profits or net earn'gs.	Interest on funded debt.	Dividend paid on stock.	Balance after lease taxes, &c.
1856 57	$7,878,273	$1,886,196	$1,036,157*	$850,439	$137,970	c447,610	$139,459
1857-58	8,026,119	1,407,846	778,817*	629,029	99,715	s503,600	404,314
1858-59	8,026,119	889,300	537,668	351,632	97,790	.....	92,685
1859-60	8,163,554	1,193,934	622,661	471,273	97,790	167,597	44,181
1860-61	8,237,710	1,161,018	708,054	455,964	97,990	.....	120,134
1861-62	8,273.936	1,054,704†	531,387†	523,317	197,790	168.090	82,866
1862-63	8,319,727	1,529,141	800,987	728,154	100,135	338,239	74,726
1863-64	8,679,433	2,143.875	1,010,462	1.103,413	102,690	343,438	382,142
1864-65	9,054,923	3,359 390	1,467,681	1,891,709	102,532	375,041	1,056,250
1865-66	9,300,132	3,154,235	1,711,454	1,442,781	101,535	631,579	333,683

In the following table will be found deductions from the foregoing, giving the cost of road, &c., per mile, the earnings, &c., per mile, and the rates of expenses to earnings and of profits to cost, with the dividends, &c., annually:

	Cost of road, p. m.	Per mile of Road. Earn's.	Exp's.	Profits.	Exp's to earnings.	Profits to cost.	Divid'ds Cash.	Stock.
1856-57	$34,553	$8,258	$4,537	$3,721	54.94	10.78	10	12½
1857-58	35,202	6,164	3,410	2,754	55.32	7.83	..	...
1858-59	35,202	3,893	2,354	1,539	60.47	4.93	..	....
1859-60	35,805	4,789	2,726	2,063	56.97	5.76	3	....
1860-61	36,120	5,096	3,100	1,996	60.83	5.53	..	....
1861-62	36,285	4,617	2,326	2,291	50.38	6.31	6	....
1862-63	36,488	6,695	3,705	2,990	53.38	8.19	6	....
1863-64	38,067	9.386	4,556	4,830	48.53	12.70	6	....
1864-65	39,714	14.939	6,426	8,243	43.81	20.75	8	....
1865-66	40,790	13,834	7,506	6,328	54.25	15.51	10	....

MARKET VALUE OF STOCK AT NEW YORK.

The monthly ranges of prices in the New York market of the stock of the C. and R. I. Co., are shown in the subjoined statement:

	1860-61.	1861-62.	1862-63.	1863-64.	1864-65.	1865-66.
April	63¼@67¼	34 @58	52¾@56¼	88¾@ 95	110 @134	81¾@108
May	64¾@71¾	30¾@39	56 @66	94 @108	105 @119	91 @105
June	67¾@70¾	33¾@36¾	62¾@69¾	93¾@104	110 @117¼	93 @102
July	70¼@77¼	34 @35	60¾@68¾	93 @106	107¼@114	101¾@100¾
Aug	79 @84¼	37¼@41¾	62¾@69¾	103¾@117	109¾@114¾	103 @109
Sept	77¾@82¾	41¼@46	60¾@78¾	103 @113	95 @109¾	108¾@113¾
Oct	60 @77¾	45¾@58	77¾@ 5¾	106¾@111¾	85¼@ 97	105 @113¾
Nov	50 @66	51 @58¾	77¾@83¾	102 @111¼	99 @110	104¾@109¾
Dec	42½@54	44¼@54¾	78¾@82¼	100 @123¾	101¾@108¾	105¾@106¾
Jan	52¼@62	50 @55¾	82¾@96¾	122¾@149¾	88¾@105¾	96¼@109¾
Feb	52½@61¾	52¼@57	87¾@95	117¾@144¾	89¾@ 98¼	98 @107
Mar	56 @61	55 @59¾	80 @95	119¾@127¾	85¼@100	104¾@118¾
Year	42¼@84¼	30¾@59¾	53¾@96¾	88¾@149¾	85¼@134	81¾@118¾

* Including taxes on real estate. † Operations for nine months only.

MISSOURI—ST. LOUIS, THE COMMERCIAL CENTRE OF NORTH AMERICA.

BY S. WATERHOUSE.

St. Louis is ordained by the decrees of physical nature to become the great inland metropolis of this continent. It cannot escape the magnificence of its destiny. Greatness is the necessity of its position. New York may be the head, but St. Louis will be the heart of America. The stream of traffic which must flow through this mart will enrich it with alluvial deposits of gold. Its central location and facilities of communication unmistakably indicate the leading part which this city will take in the exchange and distribution of the products of the Mississippi Valley. St. Louis is situated upon the west bank of the Mississippi, at an altitude of 400 feet above the level of the sea. It is far above the highest floods that ever swell the Father of Waters. Its latitude is thirty-eight degrees thirty-seven minutes twenty-eight seconds north, and its longitude ninety degrees fifteen minutes sixteen seconds west. It is twenty miles below the mouth of the Missouri, and two hundred above the confluence of the Ohio.

Distance by river			Miles.
From St. Louis	to	Keokuk	200
"	"	Burlington	260
"	"	Rock Island	350
"	"	Dubuque	480
"	"	St Paul	800
"	"	Cairo	200
"	"	Memphis	440
"	"	Vicksburg	840
"	"	New Orleans	1,200
"	"	Louisville	600
"	"	Cincinnati	750
"	"	Pittsburgh	1,200
"	"	Leavenworth	500
"	"	Omaha	800
"	"	Sioux City	1,000
"	"	Fort Benton	3,000

Distance by rail			Miles.
From St. Louis	to	Indianapolis	200
"	"	Chicago	280
"	"	Cincinnati	340
"	"	Cleveland	470
"	"	Pittsburgh	650
"	"	Buffalo	650
"	"	New York	1,000
"	"	Lawrence	320
"	"	Denver	880
"	"	Salt Lake	1,800
"	"	Virginia City	1,900
"	"	San Francisco	2,300

St. Louis very nearly bisects the direct distance of 1,400 miles between Superior City and the Balize. It is the geographical centre of a valley which embraces 1,200,000 square miles. In its course of 3,200 miles, the Mississippi borders on Missouri 470 miles. Of the 3,000 miles of the Missouri, 500 lie within the limits of our own State. St. Louis is mistress of more than 16,500 miles of river navigation.

This metropolis, though in the infancy of its greatness, is already a large city. Its length is about eight miles, and its width three. Suburban residences, the outposts of the grand advance, are now stationed six or seven miles from the river. The present population of St. Louis is about 200,000. In 1865, the real and personal property of the city was assessed at $100,000,000.

St. Louis is a well built city, but its architecture is rather substantial than showy. The wide, well-paved streets, the spacious levee and commodious warehouses, the mills, machine-shops and manufactories, the fine hotels, churches and public buildings, the universities, charitable institutions, public schools and libraries, constitute an array of excellences and

attractions of which any city may justly be proud. The Lindell and Southern Hotels are two of the largest and most magnificent structures which the world has ever dedicated to public hospitality. The Lindell is itself a village.*

The appearance of St. Louis from the eastern bank of the Mississippi is impressive. At East St. Louis, the eye sometimes commands a view of 100 steamboats lying at our levee. Notwithstanding the recent destruction by ice and fire of 10 or 15 boats, and the departure of more than 30 for Montana, there are at this date 70 steamers in the port of St. Louis. A mile and a half of steamboats is a spectacle which naturally inspires views of commercial greatness. The sight of our levee, thronged with busy merchants, and covered with the commodities of every clime, from the peltries of the Rocky Mountains to the teas of China, does not tend to lessen the magnitude of the impression.

The railroad system of Missouri is exhibited in the following tabular statement:

Railroads.	Miles.	Railroads.	Miles.
Cairo and Fulton	87	North Missouri	170
Platte Country	52	Hannibal and St. Joseph	283
S. W. Branch of Pacific	76	Pacific	283
Iron Mountain	87		
Total length of railroads in operation within the State			938

A vast enlargement of our railroad facilities is contemplated. More than 10,000 miles have been projected on the west side of the Mississippi. A quarter of a century may elapse before the completion of these extensions, yet the very conception of them shows that the public mind is alive to the importance of ampler means of communication with the States and Territories of the far West. Most of these roads have received grants of land from the Government, and upon some of the lines the work is already far advanced. The terminal points of the most important roads are: Superior City and New Orleans via St. Paul, St. Louis, and Memphis; St. Louis and San Francisco via Kansas City and Salt Lake; Kansas City and Fort Benton via Omaha; Leavenwerth and Galveston via Lawrence; St. Louis and San Diego via Springfield. The extension of this last line from Rolla merely to the south-west corner of Missouri would be an incalculable benefit. The trade of the north-western roads may be partially diverted from St. Louis by the construction of rival lines. But the south-west branch, by its advantages of situation, will compel all connecting lines to be subsidiary to itself; and its commerce, constantly swelled by the traffic of tributary roads, must necessarily flow to St. Louis. The extension of this road

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* Though it is somewhat foreign to my subject, yet I cannot resist the temptation to give the statistics of this massive edifice:

Area of plate glass	1 acre	Number of windows	310
Length of gas-pipe	3 miles	Weight of water-pipe	30,000 lb
Stories, exclusive of basement	7	Extent of steam-pipe	87,700 feet
Total floorage	7 acres	Amount of lead	120,000 lb
Length of carpeting	18 miles	Area of flooring boards	300,480 feet
Area of plastering	27 acres	Amount of wrought and cast iron	1,480,000 lb
Length of bell-wire	32 miles	Cost of furniture	$200,000
Surface of mural brick	38 acres	" lot	$336,400
Hight from the sidewalk	112 feet	" the building	$965,000
Number of rooms	530	Total cost of the Lindell Hotel	$1,476,400
Capacity of accommodation	800 guests		

would open to settlement vast tracts of valuable land; and, by the impulse of cheap transportation, lead to an extended developement of the rich mines of south-western Missouri.

It is to be hoped that our citizens will press forward to anearly completion all the roads which will converge at St. Louis. On the east side of the Mississippi an air-line road from Cleveland to this city is now in progress of construction. This road will be a very important accession to our commercial facilities. The great bridge whose arches will, within a few years, span the Mississippi at this point, will put St. Louis in *direct* connection with the entire railroad system of the Continent. The parallel and meridian lines between oceans and zones will intersect at this city. From this centre roads will radiate to the circumference of our land.

The Union Pacific is already built 80 miles west to Kansas City. By the 1st of August it will reach Fort Riley, a distance of 448 miles from St. Louis. The work upon this great Continental line is pushed forward with great activity. The Vice-President of the Union Pacific authorizes the statement that 6,000 men are now employed upon the California and Eastern divisions of the line. The completion of this national highway will strengthen the alliance of States with iron bands, and develop our Western wilderness into populous commonwealths.

The growth of St. Louis, though greatly retarded by social institutions, has been rapid. The population of the city in—

1840	was	16,467
1850	"	77,860
1860	"	160,773

At the lowest rate of decennial increase, St. Louis in 1900 would contain more than 1,000,000 inhabitants. This number certainly seems to exceed the present probability of realization, but the future growth of St. Louis, vitalized by the mightiest forces of a free civilization, and quickened by the exchanges of a continental commerce, ought to surpass the rapidity of its past development.

In 1865 the amount of duties payable in gold, collected at this port, was $586,407. This sum is about one-fifth of the customs levied on goods imported into St. Louis. This is only a Port of Delivery. The imposts upon our foreign merchandise are chiefly paid at the Ports of Entry.

From the records of the United States Assessor it appears that in 1865 the sales of 612 St. Louis firms amounted to $140,688,856. For the same year the imports of this city reached an aggregate of $235,873,875.

The manufactures of St. Louis constitute an important element in our commercial transactions. In 1860 the capital invested in manufactures was $9,205,205, and the value of the product was $21,772,323. St. Louis, though the eighth city in the United States in population, ranked as seventh in the importance of its manufactures. Missouri might profitably imitate the activity of its metropolis.

The extent of our social and commercial intercourse with the rest of the world may be inferred from the postal statistics of this department. In 1865 the number of letters which passed through the St. Louis Post-office for distribution, mail or delivery, was about 11,000,000. In the judgment of the office, the transactions of the first quarter indicate an aggregate for 1866 of 15,000,000 letters. In postal importance, St. Louis is the fifth city of the Union.

The earnings of our railroads indirectly exhibit the magnitude of our trade. For the fiscal year of 1865, the total receipts of

The North Missouri	were	$1,013,000
Pacific and Southwest Branch	"	1,939,000
Hannibal and St. Joseph	"	2,009,000

In 1865 the total number of passengers, by river or rail, who made St. Louis their destination or a point of transit, amounted to $1,180,000.

The Register of the Custom-house shows that the number of arrivals at the port during the last year was:

Barges and canal boats	1,114
Steamboats	2,761
Total	3,875

The tonnage owned and enrolled in the district of St. Louis was, in 1865, 97,000 tons.

Our commerce is aided by ample banking facilities. There are in St. Louis, in addition to 15 or 20 private banks.

	Capital	
	Actual.	Authorized.
13 Savings institutions	$3,375,000	$5,830,000
11 Banks	9,179,000	14,149,000

The character of our banks stands deservedly high in the financial world. The development of the territories is bringing large deposits to our banks, creating new demands for capital, and extending the channels of circulation.

Our trade with the mountains is large and rapidly increasing. In 1865 20 boats sailed from this port for Fort Benton, which is more than 3,000 miles from St. Louis, with a total freight of 6,000,000 pounds.

This year more than 30 boats have already sailed for Fort Benton, and the agent of the largest line of Montana steamers estimates the number of passengers at 1,500, and the tons of freight at 5,000. In three instances the cost of assorted goods was as follows:

13 Tons of merchandize	$12,000
35 " " "	40,000
40 " " "	65,000
Mean cost per ton	1,300

The agent who furnishes these facts feels authorized, by his experience in the trade of the Upper Missouri, to appraise a ton of Montana merchandize at $1,000. It is thought that at least ten boats more will sail for the mountains.

The following table is an approximate estimate, based upon the preceding data, of our commerce with Montana for the year 1866:

Number of boats	40
" " passengers	2,000
Pounds of freight	13,000,000
Value of merchandize	$6,500,000

The trade across the Plains is of still greater magnitude. The overland freight from Atchison alone has increased from 2,000,000 in 1861 to 21,500,000 in 1865.

Messrs. Butterfield and Forsyth of the Overland Dispatch Company have courteously furnished me with estimates, based upon their own transactions, of our total commerce with the territories in 1865. These figures do not include the Fort Benton trade.

Number of passengers East and West by the overland coaches	4 800
" " " by trains and private conveyances	50,000
Number of wagons	8,000
" cattle and mules	100,000
Pounds of freight to Plattsmouth	3,000,000
" Leavenworth City	6,000,000
" Santa Fe	8,000,000
" St. Joseph	10,000,000
" Nebraska City	15,000,000
" Atchison	25,000,000
Government freight	50,000,000
Total number of pounds	117,000,000
Amount of treasure carried by express	$3,000,000
" " by private conveyance	30,000,000

The Overland Express charge three per cent for the transportation of bullion. This high commission and the hostility of the Indian tribes induced many miners to send their gold East by way of San Francisco to Panama.

The estimated product of our Rocky Mountain mines for the present year is $50,000,000.

So great is the length of the overland routes that the trains are able to make but two through trips a year.

Before the first of August the Union Pacific Railroad will be completed to Fort Riley. This will materially shorten the extent of overland freightage.

Distance from St. Louis to Ft. Riley	420 miles.
" Ft. Riley to Denver	460 "
" Ft. Riley to Salt Lake City	890 "
" Ft. Riley to Virginia City	1,520 "

The length of these lines of transportation, the slowness of our present means of communication, and the magnitude of our territorial population and trade, forcibly illustrate the necessity of a Pacific Railroad.

The foregoing summaries exhibit the commerce of the Mississippi Valley with the mountains. But while St. Louis does not monopolize the trade of the gold regions, it yet sends to the territories by far the largest portion of their supplies. Even in cases where merchandise has been procured at intermediate points, it is probable that the goods were originally purchased at St. Louis.

During the rebellion the commercial transactions of Cincinnati and Chicago, doubtless exceeded those of St. Louis. The very events which prostrated our trade, stimulated theirs into an unnatural activity. Their sales were enlarged by the traffic which was wont to seek this market. Our loss was their gain.

The Southern trade of St. Louis was utterly destroyed by the blockade of the Mississippi. The disruption by civil commotions of our commercial intercourse with the interior of Missouri was nearly complete. The

trade of the Northern States, bordering upon the Mississippi, was still unobstructed. But the merchants of St. Louis could not afford to buy commodities which they were unable to sell, and country dealers would not purchase their goods where they could not dispose of their produce. Thus St. Louis, with every market wholly closed or greatly restricted, was smitten with a commercial paralysis. The prostration of business was general and disastrous. No comparison of claims can be just, which ignores the circumstances that during the Rebellion retarded the commercial growth of St. Louis, yet fostered that of rival cities.

Nothing more clearly demonstrates the geographical superiority of St. Louis than the action of the Government during the war. Notwithstanding the strenuous competition of other cities, our facilities for distribution, and a due regard for its own interests, compelled the Government to make St. Louis the Western base of supplies and transportation. During the Rebellion, the transactions of the Government at this point were very large. General Parsons, Chief of Transportation in the Mississippi Valley, has not yet completed his accounts, but he submits the following as an approximate summary of the operations in his department from 1860 to 1865:

AMOUNT OF TRANSPORTATION.

Cannon and Caissons	800
Wagons	18,000
Cattle	80,000
Horses and mules	250,000
Troops	1,000,000
Pounds of military stores	1,950,000,000

Gen. Parsons thinks that full one-half of all the transpartation employed by the Government on the Mississippi and its tributaries was furnished by St. Louis.

From Sept. 1, 1861, to Dec. 31, 1865, Gen. Haines, Chief Commissioner of this Department, expended at St. Louis, for the purchase of subsistance stores, $50,700,000.

During the war, Gen. Myers, Chief Quartermaster of this Department, disbursed at this city, for supplies, transportation and incidental expenses $180,000,000.

The National exigencies forced the Government to select the best point of distribution. The choice of the Federal authorities is a conclusive proof of the commercial superiority of St. Louis.

The conquest of treason has restored to this mart the use of its natural facilities. Trade is rapidly regaining its old channels. On its errands of exchange, it visits the islands of the sea, traverses the ocean, and explores foreign lands. It penetrates every State and Territory in the Mississippi Valley, from Alabama and New Mexico to Minnesota and Montana. It navigates every stream that pours its tributary waters into the Mississippi.

But St. Louis can never realize its splendid possibilities without effort. The trade of the vast domain lying east of the Rocky Mountains, and south of the Missouri River, is naturally tributary to this mart. St. Louis, by the exercise of forecast and vigor, can easily control the commerce of 1,000,000 square miles. But there is urgent need of exertion. Chi-

cago is an energetic rival. Its lines of railroad pierce every portion of the Northwest. It draws an immense commerce by its network of railways.

The meshes which so closely interlace all the adjacent country gather rich treasures from the tides of commerce. Chicago is vigorously extending its lines of road across toward the Missouri River. The completion of these roads will inevitably divert a portion of the Montana trade from this city to Chicago. The energy of an unlineal competitor may usurp the legitimate honors of the imperial heir. St. Louis cannot afford to continue the masterly inactivity of the old *regime*. A traditional and passive trust in the efficacy of natural advantages will no longer be a safe policy. St. Louis must make exertions equal to its strength and worthy of its opportunities. It must not only form great plans of commercial empire, but must execute them with an energy defiant of failure. It must complete its projected railroads to the mountains, and span the Mississippi at St. Louis with a bridge whose solidity of masonary shall equal the massiveness of Roman architecture, and whose grandeur shall be commensurate with the future greatness of the Mississippi Valley. The structure whose arches will bear the transit of a continental commerce should vie with the great works of all time, and be a monument to distant ages of the triumph of civil engineering and the material glory of the Great Republic.

The initial steps for the erection of a bridge across the Missouri at St. Charles have already been taken. The work should be pushed forward with untiring energy to its consummation.

The iron, stone and timber necessary for these structures can be obtained within a few miles of St. Louis, and the greater part of the materials can be transported by water. The construction of public works whose cost will be millions of dollars, would afford employment to thousands of laborers, and give fresh impulse to the prosperity of St. Louis.

A full and persistent presentation of the superior claims of Carondelet ought to induce the Government to establish a naval station at that point. The supply of labor and *material* which a navy-yard would require would be another source of wealth to Missouri and its metropolis.

The effect of improvements upon the business of the city may be illustrated by the operations of our city elevator. The elevator cost $450,000, and has a capacity of 1,250,000 bushels. It is able to handle 100,000 bushels a day. It began to receive grain last October. Before the 1st of January its receipts amounted to 600,000 bushels, 200,000 *of which were brought directly from Chicago*. Grain can now be shipped, by way of St. Louis and New Orleans, to New York and Europe 10 cents a bushel cheaper than it can be carried to the Atlantic by rail.

The facilities which our elevator affords for the movement of cereals, have given rise to a new system of transportation. The Mississippi Valley Transportation Company has been organized for the conveyance of grain to New Orleans in barges. Steam tugs of immense strength have been built for the use of the company. They carry no freight. They are simply the motive power. They save delay by taking fuel for the round trip. Landing only at the large cities, they stop barely long enough to attach a loaded barge. By this economy of time and steady movement, they equal the speed of steamboats. The Mohawk made its first trip from St.

Louis in six days with ten barges in tow. The management of the barges is precisely like that of freight cars. The barges are loaded in the absence of the tug. The tug arrives, leaves a train of barges, takes another, and proceeds. The tug itself is always at work. It does not lie at the levee while the barges are loading. Its longest stoppage is made for fuel.

Steamboats are obliged to remain in port two or three days for the shipment of freight. The heavy expense which this delay and the necessity for large crews involve, is a grave objection to the old system of transportation. The service of the steam tug requires but few men, and the cost of running is relatively light. The advantages which are claimed for the barge system are exhibited by the following table:

	Tug and barges.	Steamboats.
Stopping at intermediate points	2 hours	6 hours
" " terminal "	24 "	48 "
Crew	15	50
Tonnage	25,000 tons	1,500 tons
Daily expenses	$200	$1,000
Original cost	75,000	100,000

In addition to the ordinary precautions against fire, the barges have this unmistakeable advantage over steamboats—they can be cut adrift from each other, and the fire restricted to the narrowest limits. The greater safety of barges ought to secure for them lower rates of insurance. The barges are very strongly built, and have water-tight compartments for the movement of grain in bulk. The transportation of grain from Minnesota to New Orleans *by water* costs no more than the freightage for the same point to Chicago. After the erection of a floating elevator at New Orleans, a boat-load of grain from St. Paul will not be handled again till it reaches the Crescent City. At that port it will be transferred, by steam, to the vessel which will convey it to New York or Europe. The possible magnitude of this trade may be inferred from the fact that in 1865 Minnesota alone raised 10,000,000 bushels of wheat. Of this quantity 8,000,000 bushels could have been exported, if facilities of cheap transportation had offered adequate inducement.

This new scheme of conveying freight by barges bids fair to revolutionize the whole carrying trade of our Western waters. It will materially lessen the expense of heavy transit, and augment the commerce of the Mississippi River in proportion to the reduction it effects in the cost of transportation. The improvement which facilitates the carriage of our cereals to market, and makes it more profitable for the farmer to sell his grain than to burn it, is a National benefit. This enterprise, which may yet change the channel of cereal transportation, shows what great results a spirit of progressive energy may accomplish.

The mercantile interests of the West imperatively demand the improvement of the Mississippi and its main tributaries. This is a work of such prime and transcendent importance to the commerce of the country that it challenges the co-operation of the Government. A commercial marine which annually transfers tens of millions of passengers and hundreds of millions of property ought not to encounter the obstructions which human efforts can remove. The yearly loss of capital, from the interruption of communication and wreck of boats, reaches a startling aggregate.

For the accomplishment of an undertaking so vital to its municipal interests, St. Louis should exert its mightiest energies. The prize for which competition strives is too splendid to be lost by default. The Queen City of the West should not voluntarily abdicate its commercial sovereignty.

If the emigrant merchants of America and Europe, who recognize in the geographical position of St. Louis the guarantee of mercantile supremancy, will become citizens of this metropolis, they will aid in bringing to a speedier fulfilment the prophesies of its greatness. The currents of Western trade must flow through the heart of this valley.

The march of St. Louis will keep equal step with the progress of the West. Located at the intersection of the river which traverses zones and the railway which belts the continent, with divergent roads from this center to the circumference of the country, St. Louis enjoys commercial advantages which must inevitably make it the greatest inland emporium of America. The movement of our vast harvests and the distribution of the domestic and foreign merchandise required by the myriad thousands who will, in the near future, throng this valley, will develop St. Louis to a size proportioned to the vastness of the commerce it will transact. This metropolis will not only be the center of Western exchanges, but also, if ever the seat of Government is transferred from its present locality, the capital of the nation.

St. Louis, strong with the energies of youthful freedom, and active in the larger and more genial labors of peace, will greet the merchants of other States and lands with a friendly welcome, afford them the opportunities of fortune, and honor their services in the achievement of its greatness.

THE PRESENT HIGH PRICES.

The chief obstacle to the restoration to this country of its former prosperity, the obstacle which must be removed as soon as practicable, is the high rate of prices upon all the necessaries of life. It is of comparatively small account what colossal fortunes are amassed, what apparent exhibition of wealth a people may be able to display. When the nation is compelled to pay exorbitantly for whatever is eaten and worn, it is fast becoming impoverished. That is precisely the condi tion of matters in this country at this very moment. Food of every kind, however abundant, is dear; and cloths are held at rates beyond the ability of the majority of wearers.

We have abundant witness to this on every hand. Men employed in the various avocations of industry find it no easy matter to make the two ends meet, although wages generally are higher than ever. They find themselves obliged to pay for rents an amount so exorbitant as to leave little behind for other necessaries. In the City of New York, a large proportion of them have been compelled to give up their more comfortable homes for little unwholesome apartments in tenement houses, where squalor, dirt and a noxious atmosphere speedily brutifies and degrades the inmates. Luxuries being out of the question altogether, cheap liquors become a substitute.

As for the hundred thousands of female operatives, the burden falls on

them most cruelly. They must be neatly dressed, and be able to fill up all the hours of labor, at a remuneration little greater than that received for similar service ten years ago. Whatever increase of compensation may have been granted to laborers and other persons employed, it has never been equivalent to that of the prices of the articles of consumption in our markets. Indeed, it is the ultimate natural influence of high prices to depress the rate of wages to a point proportionately lower than the prices of the necessaries of life. Observations at different periods have shown that they naturally have this effect. The tendency, when the means of subsistence are hard to procure, is for all persons employed, and laborers, to increase their exertions, thus overstocking the market with their labor. This was prevented during the war by the repeated calls for men in the military service. Now it is different, as is evident from the unsuccessful termination of the recent strikes, all of which have resulted disastrously to the laborer.

We cannot account for present prices by pleading a short supply. The careful observer has noticed that the receipts of wheat and flour at tide-water from the Western States during the present season, are largely in excess of what they were a year ago; larger, indeed, than they have ever been at any former period. Besides, the wheat crop which is now being gathered, is ample enough to supply the market for the coming year; and there is no good reason, apparently, why flour should not be furnished to consumers for six dollars a barrel.

So, too, with manufactured goods. They continue to be held at high prices without apparent good reason. The supply is large enough to justify the expectation of lower rates; cotton is far from being scarce, and the coming crop will be sufficiently abundant to warrant a handsome reduction. But we can perceive no indication of so desirable an event. The high prices are maintained almost as if the war still raged, and gold was at 280, and there was neither the supply of raw material to be depended upon, or the requisite labor for its manufacture.

The addition made to prices by taxation, of course, occasions somewhat of the increase; but of this we do not complain. We would only require of our legislators, that whatever burdens they might impose, they should confine them to the actual exigency, the maintenance of the Government and the liquidation of the public indebtedness. Beyond this extent would be oppressive, an incubus on prosperity, and a discouragement to industry. All taxation adds to the cost of production, and is reduplicated in the prices to the consumer, too often built up in this way until increased into a burden too grievous to bear.

But the very price at which labor is, as we have seen, necessarily held, will be said by many to be the cause of the extraordinary cost entailed upon the necessaries of life. It is a cause, but evidently not the first cause. The farmer is compelled to pay two dollars and more for work which he was able to obtain a few years ago for one dollar or less; and all his agricultural implements come to him loaded down by similar prices exacted by the mechanics. He cannot, therefore, supply grain at the old prices and be able to carry on his business. The cost of transit to market is enhanced in a similar manner by the increased cost of handling. Our coal is kept from two to six dollars a ton too high, in part because miners' wages have increased. That these are facts,

we will admit. High wages are necessarily followed by high prices. It is, however, also equally true that high prices are necessarily followed by high wages, and it will be remembered that wages were not the first to rise. It is evident, therefore, that there is a cause back of this, and operating over the whole country, making high wages and high prices equally a necessity; increasing the cost of transportation, and fostering speculation. In a word, the real difficulty lies in the fact that our paper dollar has been watered until it is worth much less than a dollar, and on this flood of currency prices float.

The remedy therefore exists in Congress and the Government. Something, we will admit, has already been done; but the country is beginning to sicken at the slow progress made. Speculation, stimulated by the inflated currency, is again rising on its paper wings, and the articles of prime necessity are being bought up and held by the men that can most easily procure the capital. In this manner flour and wheat at the principal points in the West were raised last Fall to a price as high almost as they stood in the City of New York. The banks lent the money to keep up the margin and maintain the exorbitant prices, till in many instances the grain became injured and heated in the storehouses. We are liable to have this repeated again this season, and the evil must grow upon us unless efficient measures are soon taken to bring the currency at as early a day as possible to a specie basis. This will reduce labor from its nominal to its equitable value. Every other expense will undergo a similar transmutation. We shall no more have prices of war and famine when the soil is productive and the nation is at peace. The men who are doing business on borrowed capital, it is very likely, will suffer; but the producing classes will be placed in better circumstances. They are the ones whose welfare should be first considered. The present disparity is rapidly impoverishing the great majority of the people; and a return must be had as soon as practicable to a sound financial policy in order to obviate the danger of actual calamity.

THE STRIKES.

There are apparent symptoms of a disposition among the operatives on strike to return to employment. The difficulty among the masons, who struck for a quarter holiday on Saturday, is in course of adjustment; while ship-carpenters of New York and Brooklyn, who have been "on strike" for several weeks, to secure the limitation of the daily term of labor to eight hours, have unanimously resumed work upon the old conditions. The ship calkers, who professed the most resolute determination to enforce their demands to the last extremity have at last relinquished their demands and are willing to return to work upon late terms. In Boston, Portland, and Philadelphia, the calkers co-operated with those of New York; so that it has been impossible for New York ship-builders to evade their embarrassments by sending vessels to any of those ports. The calkers of this port have even taken measures for ensuring the co operation of their trade in the ports of England. Some days ago, three vessels were sent from Boston to Liverpool, ballasted with timber, to be calked at the latter port. No sooner was this ascer-

tained than prompt measures were taken for advising the association of calkers at Liverpool, with a view to preventing their working upon the vessels. These instances of co-operation among the organizations within the same trade indicate one important source of the strength and endurance of strikes. We understand that the return of the ship-carpenters to work was a matter of arrangement with the calkers. The latter argued that the carpenters would prepare work for them, and would consequently only increase the necessity for the shipbuilders to grant the advance of wages demanded. This may appear to have been an ingenious device; but, like all such unnatural expedients, it has proved unavailing. The shipbuilders were determined to make this a test case, and, at whatever sacrifice, to prove which side is most capable of endurance. They were aware of the extent to which the trades associations rely upon their accumulated funds, in the event of a strike, and were intent upon ascertaining to what degree those resources could enable them to enforce their demand. The strikers, on the other hand, were resolved upon test ing the power of endurance of the employers. The dispute, indeed, had resolved itself into a deliberate strategic trial of strength, and the result must have a material influence in the settlement of future similar cases.

The trades associations manage their strikes with no little adroitness. The weakness of the operatives lies in their necessity to work as a means of income. As a protection against this weak point, each association has its reserve fund, intended for use in the event of a strike; and the success of any effort to enforce their demands, depends entirely upon the management of these funds. Hence, care is taken, through the central union of associations, not to have too many strikes at the same time. By a simultaneous halt of all branches of labor, the funds of the several organizations would be early exhausted, and the operatives would be compelled by necessity to yield. A few branches are, therefore, left to do the brunt of the fighting; and the funds of all the associations are made available for their support. The whole force of the operatives is thus concentrated upon a few well chosen points on the employers' lines; and the pressure is consequently protracted and attended with severe injury to the capitalist.

Were the several branches of trade united in common cause, so as to enable them to meet the workmen with a like sympathetic opposition, this very ingenious strategy would be abolished, because of its fruitless results. But no such general combination exists among employers, and would obviously be very difficult of organization. For this reason, the firmness with which the shipbuilders have withstood the unreasonable demands of their employees is deserving of all praise. Individuals among them might have yielded, from narrow and mercenary considerations; but all have preferred to incur severe loss in the assertion of a principle in which not only they, but all employers, are vitally interested, and to ascertain definitely important points respecting the work ing relations between employers and operatives. The power to conquer is unquestionably in the hands of the employers; and the result of the well planned and desperately supported strike of the calkers is an evidence that if the employers are united they have the power of enforcing their own settlement.

The calkers must have already suffered to an extent calculated to cool

their ardor for strikes. For several weeks they have been absolutely idle, their principal reliance being a weekly pittance from the funds of their association, and such charity as other organizations chose to bestow upon them. In hundreds of cases the father has eaten the bread earned by the sweat of his wife and children, driven to some form of cheap labor, and to compete with some branch of that common organization of labor which it was supposed the strike was calculated to support. In the mean time, the place vacated by the idle striker was being filled. The shipbuilders were putting raw hands upon their vessels and training them to efficiency; so that the calkers, on returning to work, find they have created a large addition to their trade, who will be future competitors for employment, tending to depress wages even below the rates at which they refused to work. Thus will strikes ever result in the ultimate injury of those who engage in them They may meet, and have met, with apparent success for a time, but being against reason, and opposed to that community of interest which Providence has instituted between the workman and the employer, they must in the end bring the sure penalty that attends every infraction of natural law. They are a suspension of that process which connects existence and enjoyment with the sources of sustentation; and consequently they result in injury to the most vital interests of society.

ENGLISH PANICS OF THE PRESENT CENTURY.

The number of well-defined and purely monetary panics that have been witnessed in the present century in England has been, including the one last month (May,) five. In the early part of the century there were numerous others—indeed they were then of rapid occurrence—but these, up to 1815, were all connected with the varying fortunes of war. It was in 1826 that the first purely speculative panic took place. In the preceding year consols had steadily advanced from 84¼ to 96¼, and this upward movement had been accompanied by a furor for the establishment of joint-stock companies of all descriptions. Mines in Mexico and other parts of South America were chiefly in favor; but when the mania was at its height there was scarcely a conceivable branch of occupation, from pearl fishery in the Pacific down to the washing of linen and an equitable system of pawnbroking at home, that was not organized in a prospectus or that failed to command a premium. Bank directors were in the vortex, and in some of the most ludicrous concerns the names of leading merchants figured. The proposed capital of each company was, however, in those days much more modest than now, the usual range being from £50,000 to £300,000, instead of from half a million to five millions, "with power of increase," as at present. At length a rapid drain of bullion set in, the funds precipitately went down, and consols in 1826 touched 73¼. Universal ruin ensued, a run upon the banks took place, and Lombard street and Bartholomew lane presented a scene not unlike that of Friday last. In this emergency the pressure put upon the Government for aid was so great that it was resolved to authorise an advance not exceeding three millions sterling, to be made upon goods, merchandise, and other securities. Commissioners were appointed to carry out the arrangement in the principal

commercial towns, and confidence was almost immediately re-awakened. The applications for assistance proved to be much fewer than had been expected, and in many places the commissioners had almost a sinecure. "The knowledge that a public fund exists," it was remarked by a writer of the period, "ready to advance money to those who can furnish substantial deposits, infuses a similar confidence into private individuals, and when one body, celebrated for prudence and caution, has led the way in trusting its neighbors, others are gradually encouraged to follow in the same path, and return to their ordinary sources of gain." The next panic occurred in 1837, but this was of a more restricted character, and was not attended with any violent fluctuations in the funds or in the rates of discount. An English paper attributes its rise from an eagerness to make loans to the various States of the American Union, and from a system of "open credits" to the merchants of New York, New Orleans, &c. The chief London houses, by whom these credits had been granted, were, in the first danger, assisted to an extraordinary extent by the Bank of England, but it was ultimately found impossible to prevent a total break up.

The next occasion was 1847. The preceding years had been marked by the introduction of railway projects to the amount of 300,000,000l, and by the elevation of Mr. Hudson as a chief promoter. Consols on the 1st of January had stood within a fraction of 94, and in October they were down to 78⅛. The drain of gold was extremely severe, and on the 25th of October (the Bank reserve having been reduced to 1,170,740l) the Government, on a representation from the principal discount houses, authorised the suspension of the Charter Act, which had then been three years in operation. The minimum rat at which advances were to be made was on that occasion fixed at 8 per cent. The effect was as sudden as had been that of the Government resolve to make advances on goods in 1826. In two months consols recovered from 78⅛ to 85⅛, and within seven months the rate of discount was down to 3½ per cent. In the following year it went to 2½, and it then remained with little variation (ranging between 2 and 3 per cent.) for nearly three years.

In the panic of 1857, which was brought about by the most wild speculation on the part of exporting merchants, chiefly supported by reckless credits from banks at Liverpool, Glasgow, and elsewhere, the suspension of the Act took place on the 9th of November, and the minimum rate for advances was fixed at 10 per cent., being 2 per cent. higher than on the previous occasion. Consols, which had previously stood at 94½, went during the panic to 86½, and the Bank reserve was down at 957,710. But on this, as in former instances, the recovery was rapid and continuous. In the next year Consols stood at 98⅛, and the rate of discount had fallen to 2½ per cent., after which, for two years, it ranged between 2½ and 5.

Annexed is a comparison of the state of the Bank accounts, and the price of Consols in each of the three panics that have happened since the passing of the Act of 1844:—

	Bank Bullion.	Notes in Reserve.	Rate of Discount.	Price Consols
Panic of 1847.....	8,408,750	1,176,740	8	78⅛
" 1857.....	6,484,086	957,710	10	86½
" 1866.....	12,823,805	700,830	10	84½

AN OCEAN RACE IN 1837.

Mr. John Robertson, South Shields, England, supplies the following particulars of a race which took place between Calcutta and London twenty-nine years ago He says: I was carpenter on board the barque Georgiana, of London, Captain Thoms, 500 tons, in the year 1837. We were then lying at Calcutta, and the Royal Saxon, another barque of the same tonnage, lay in the next anchoring berth from ours. As both vessels got up their anchors together, and both were bound for London, Captain Thoms bet the captain of the Royal Saxon a new hat that he would be into London before him. We sailed on the 18th of February from Calcutta, parted company at the Sand Heads on the 20th, when the pilot left the ship, and on the 21st we lost sight of each other. On the afternoon of the 24th of March, the Georgiana was beating round the Cape of Good Hope, making very heavy weather of it. We had actually dipped our topgallant forecastle under water, and put out the fire in the cook's galley (which was under the topgallant forecastle) when we suddenly discovered our old companion, the Royal Saxon, beating away to the northward, like ourselves, under double-reefed topsails. Strange to say, the night was one of the most beautiful and yet one of the gloomiest that ever was seen on the ocean. Away to the north-west, the clouds were black and dense, the wind and sea being excessively high; in a minute or so the clouds would rend asunder, as it were, and the heavens overhead were illuminated with a beauty such as I have never witnessed since. Captain Thoms—who was a Scotchman—a native of the city of Aberdeen—had always divine service on board his vessel on the Lord's Day, when the weather permitted; but on that day religious exercises were omitted. Still we persevered, and the Royal Saxon and us lost sight of each other at nightfall. We did not pick each other up again until we went into St. Helena, which we did on the 7th of May. The Royal Saxon was just stowing her sails as we entered. We had 60 tons of rice to discharge for the garrison of the island, and to take in water. The Royal Saxon thereby got the start of us by 12 hours, and we never sighted each other until we both arrived in the Downs together at midnight on the 3rd of June, and when morning broke on the 4th we were both within hail of each other. We both got up our anchors together early in the morning, set our canvas, and went up the river in grand style, sometimes abreast of each other, and occasionally only a ship's length or so between us. It was a very exciting race, and a very fine one from the beginning, but the finest of it all was at the end, for, had the gates of the East India Dock been wide enough, we should both have entered the basin together. We let the Royal Saxon go in first, and as both vessels were entering—the Royal Saxon being about half a ship's length ahead of us—the crew of each vessel shouted to the other, "A dead heat! a dead heat! We'll have it over again!"

JOINT STOCK BANKS IN IRELAND.

From a report furnished to the Government by Mr. Neilson Hancock on the deposits in joint stock banks in Ireland, it appears that the increase of £2,628,376 during the year 1865—viz: from £14,422,176 in 1864 to £17,050,552 in

1865—was greater than the largest previous increase in one year—viz: of £2,510,233, from £7,263,091 in 1851 to £10,773,324 in 1852. It also appears that the increase of £4,083,821 in the last two years exceeded the withdrawals during the four bad years, 1860-3, by £1,008,412, so that the deposits, £17,050,552, at the end of 1865 exceeded by £1,000,000 the previous maximum of £16,042,140 in 1859. The deposits of £17,050,552 are more than twice the amount in 1850—viz: £8,268,838, and three times the amount in 1840—viz: £5,567,851. Considered with reference to changes in population, the deposits in 1840 were 13s. 7d. per head of population; in 1850, £1 2s. 1d.; in 1860, £2 14s. 1d.; and in 1865, £3 3s, or nearly five times the amount per head of population as in 1840 As an evidence of absolute progress in wealth, and of the recovery from the effects of losses in recent years, these figures are more interesting. They show, too, that there is no want of Irish capital for the improvement of land, or for any other legitimate Irish enterprise. Upon the larger question of the wealth of Ireland, as compared with other portions of the United Kingdom, the extraordinary advantages which England and Scotland enjoy over Ireland in mines and minerals, and consequently in manufactures, have led to an equally remarkable accumulation of capital. One bank—the London and Westminster—holds for bank deposits, circular notes, and other moneys payable on demand, no less a sum than £19,224,571. The Irish returns include deposits alone; but if even the cash balances were added, the sum in all the banks would not much exceed what is held by one English bank.

THE SILK SPIDER OF SOUTH CAROLINA.

Dr. B. C. Wilder, late surgeon of the Fifty-fifth regiment Massachusetts volunteers (colored) gave the first of four lectures upon the above subject, in Boston, Tuesday evening. The journal gives the following brief but interesting synopsis:

The first of this species of spider was discovered by the lecturer, on the north end of Polly Island, while in camp there in August, 1863. He wound from its body, in one hour and a quarter, one hundred and fifty yards of yellow silk. The next year another officer wound from thirty spiders three thousand four hundred and eighty-four yards, or nearly two miles of the silk. A single thread of this was strong enough to sustain a weight of from forty-four to one hundred and seven grains. In 1865 Dr. Wilder showed his specimen to Prof. Aggasiz and others to whom the species was new. Returning to Charleston, he resumed his researches, and after a variety of adventures and disappointments, succeeded in getting a number of the spiders.

In the course of the season these all died from lack of knowledge as their habits, mode of living, &c. From the eggs deposited, however, many others were produced. It is the habit of the stronger to devour the weaker, so that out of seval thousand only a few hundred were raised. The fact, however, was clearly demonstrated that they could be raised and live through a Northern winter. In the succeding lectures the method of securing the silk, and other facts in regard to this interesting discovery will be given.

Specimens of the silk were exhibited, which were of a golden yellow and a silver white, and as brilliant as the metals in appearance. It is elastic, while the silver colored thread is non-elastic, and is used for the main stays of the web. Dr. Wilder has a lot of these spiders living in the Cambridge Conservatory, and many young broods in his room in Boston. The Doctor has made full communications to the American Academy, and to the Boston Society of Natural History.

INTERNAL REVENUE REPORT.

The Secretary of the Treasury on Wednesday June 20 transmitted to the House of Representatives, in answer to a resolution, a report from the Commissioner of Internal Revenue, from which it appears that the amount of direct taxes by the act of 1861 apportioned to Virginia is $937,550, of which $379,491 has been collected; apportioned to North Carolina, $576,194, collected, $260,283; apportioned to South Carolina, $363,570, collected, $205,882; apportioned to Georgia, $584,367, collected $54,421: apportioned to Alabama, $529,313, none collected; apportioned to Mississippi, $413,084, collected, $25,000; apportioned to Louisiana, $385,836, collected, $301,167; apportioned to Tennessee, $669,498, collected, $83,811; apportioned to Arkansas, $261,866, collections not reported; apportioned to Florida, $77,522, collected, $5,712; apportioned to Texas, $855,106, collected, $47,423.

The property held by the Government under sales authorized by acts relating to direct taxes, was purchased at prices amounting in the several States as follows: Virginia, $32,268; South Carolina, $65,392; Florida, $6,168; Tennessee, $8,360.

In Arkansas lands were struck off for taxes unpaid to bidders who never completed their purchases, to the amount of $18,600. The amounts received from sales in the several States are as follows: Virginia, $3,130; South Carolina, $28,438; Florida $349; Tennessee, $122,717. Arkansas is not reported. The whole amount standing to the credit of the Arkansas Commissioners, from taxes collected and the proceeds of sales deposited to the credit of the United States, is $165,262.

The Secretary of the Treasury in his letter inclosing the above facts, says: "I avail myself of the occasion to express an opinion based upon my observation of the operation of the law that an additional enactment authorizing the assumption by the States, respectively, of the remainder of the direct tax due from each, would, in view of the present impoverished condition of their people, prevent much hardship in individual cases, and save from practical confiscation the property of many persons against whom the Government has no grounds of complaint, while no public interest would be injuriously affected. Should this policy be adopted, the collection of taxes under the present system might and ought to be discontinued until an opportunity for assumption be offered. Whether the amount realized from re-sales of property, bid in for the Government, should or should not be allowed to the States, respectively, in computing the taxes still due is a question well deserving of consideration, which I submit without comment." The receipts on account of internal revenue for the present year up to the 19th inst., inclusive, amount to $299,018,486, leaving less than $1,000,000 to complete $300,000,000, the estimate made at the Bureau of Internal Revenue. It is now believed that the receipts of the fiscal year, ending with the 30th of this month, will amount to $306,000,000, from taxes for internal revenue alone.

NATIONAL BANK DEPOSIT TAXES.

The following correspondence is of interest to the National Banks throughout the country:

NATIONAL MECHANICS' AND FARMERS' BANK,
ALBANY, June 11, 1866.

Hon. F. E. Spinner:

MY DEAR SIR—The former Commissioner of Internal Revenue decided tha deposits growing out of collections for other banks, and remitted for at short dates, were not taxable. Your decision, though comprehensive, still leaves the question open for bankers to interpret. You require the tax on "collections made for other banks, and, in fact, on all descriptions of deposits which may be used by the bank." Our interior banks collect for city banks and remit by check on New York, weekly, semi-monthly, and monthly, as the arrangement may be, at par. Weekly remittances average three and a half days; semi-weekly remittances average seven and a half days; monthly remittances average fifteen and two-third days. Deposits which remain in interior banks through collections in miscellaneous currency only three and a half and seven and a half days, and are then remitted for by check on city banks, cannot, I think, be safely used. I am not so clear in regard to an average deposit of fifteen and two-third days, and therefore prefer to know and be governed by your views. As an experienced country banker, you can readily decide this question. Our canal tolls are collected on an allowance of twenty days.

I think we may fairly claim that in case of doubt we should have the benefit of it. This is equitable in all cases, and especially in regard to banks, who are so over-taxed beyond all other property as to seriously threaten their destruction. The yearly taxes of this bank—Government, State and municipal—are over ten per cent. on our capital. This will excuse us for past and future conflicts for rights which cannot be yielded without a surrender of our existence.

I am, therefore, induced to bring before you another question for your decision. Can a deposit be taxed more than once? For instance, the Mohawk Valley Bank has deposits amounting to $100,000, upon which they pay the Government tax. They remit to us $25,000 of said deposits; and can the same be taxed a second time in our hands? We remit it, to our credit, to a bank in New York, and if this duplicate taxation is claimed there is no limit to its multiplication and consequent injustice and oppression.

I suggested these points, and some others which the Government has since yielded, to the present Secretary of the Treasury when he was Comptroller of the Currency, and he wrote me that my suggestions had great weight, and that he would speak to the Commissioner of Internal Revenue on the subject. The sacrifices which the condition of our banks then required of us no longer demand our unyielding acquiescence, and I trust the time has arrived for a just and amicable adjustment of these questions.

I have the honor to be, dear Sir, yours,
THOMAS W. OLCOTT, President.

TREASURY OF THE UNITED STATES,
DIVISION OF NATIONAL BANKS,
WASHINGTON, June 18, 1866.

SIR—I have received yours of the 11th inst., the contents of which I note.

You quote the words of the return: "collections made for other banks, and in fact all descriptions of deposits which may be used by the bank," and refer to collections made by country banks for city banks, for which payment is made at stated periods, which collections, you think would not properly come under the head of deposits "used by the bank."

In the semi-annual return, after enumerating the different classes of deposits, that have occurred to me as likely to be made with a bank, the words, "and in fact all descriptions of deposits which may be used by the bank," have been inserted to cover any deposits that may not have been enumerated, and not as a qualification of the preceding classes.

I think deposits arising from collections are as clearly subject to duty as any class of deposits. The collecting bank has the use of the money from time of collection until it is paid; it goes into general account with other funds of the bank, and may be used as well. The fact that a remittance is made at stated periods does not operate against this view. It may even be an advantage to a bank to know exactly how long a collection or deposit may remain with it. If the collecting bank remits at stated periods *at par* (as stated) or without charge, it would seem that it was an acknowledgement that benefit was derived by it from the collection.

In regard to the question, can a deposit be taxed more than once, instancing the Mohawk Valley Bank as paying duty on $100 000 deposits, $25,000 of which have been deposited with you by that bank, upon which amount you pay duty, although you have remitted the amount to a bank in New York, where it is subject to duty. It is clear that the Mohawk Valley Bank has received the $100.000 on deposit, the whole of which is available to it, although a portion of it may have been placed with you, as a fund against which it can draw, upon which it probably receives interest, although that would not be material to the question. It is not less clear that you have received $25,000 on deposit, which you have transferred to the New York bank with the same view, and that the New York bank has the $25,000 on deposit, which it may use as it may use any deposits, say of individuals. The question would not then be, what use does a bank make of its deposits, but what deposits has it on hand?

I know that the present duty and taxes on banks are onerous and burdensome; but yet, so long as the duty, with the collection of which I am intrusted, is laid upon them, it does not seem a sufficient reason why I should authorize a departure from what seems to be the spirit, clear intent, and meaning of the law, which might thus be so perverted as to fail to answer the purpose designed. A bank should not be permitted, for its own benefit, to go behind its own records and books, and to eliminate certain amounts which it judges not profitable; thus opening a door to fraud and perjury. Of course there would be no suspicion of evasion by a bank of character and standing like your own; but some banks it is undoubtly best to leave, if possible, nothing undefined.

A remedy would be for banks to decline to receive deposits on such terms as would not allow

a profit to them above the duty on other expenses; but, while competition among them for business is so great, it does not seem probable that the rule would generally prevail.

The banks in New York and other cities were permitted, upon representations made by them, to omit from their deposits of the day such checks as were deposited on that day, but remained uncollected, and against which no checks were made, or rather *paid*. But no claim has been made that any collections should be omitted from deposits after the money had been collected.

I notice propositions before Congress to reduce materially the duty upon banks, which, or something similar to it, I shall hope to see become a law. It seems necessary, in the event that a burdensome State tax upon the banks shall be insisted upon, that Congress should, to a certain extent, remit the duty to the Government.

F. E. SPINNER,
Treasurer United States.

Thos. W. OLCOTT, President National Mechanics' and Farmers' Bank, Albany, New York.

NEW YORK STATE BANK NOTES.

The following is from the Superintendent of the Bank Department:

STATE OF NEW YORK,
BANK DEPARTMENT, Albany, May 31.

The impression obtains, to a considerable extent, that in consequence of a law of Congress, the holders of State Bank bills will be subject to a tax of ten per centum on paying them out, after the first of July next; and there are bankers who suppose they are subject to a like tax on all their outstanding circulation at that date. Nothing is more erroneous.

The following is the only law of Congress on the subject:

SEC. 26 of the amendments to the Internal Revenue Laws, approved March 3d, 1865:

"And be it further enacted, that every National Banking Association, State Bank, or State Banking Association, shall pay a tax of 10 per centum on the amount of notes of any State Bank or State Banking Association paid out by them, after the first of July, eighteen hundred and sixty-six."

It will be seen that Banks only are subject to the tax, and that, not on their outstanding circulation, but only on such notes as they shall pay out. Holders of New York State Bank Bills, not bankers, are not subject to the tax. They may hold them, or pass them, the same as usual.

The notes of New York State Banks will be as safe and valuable after the first of July, 1866, as at any time in the past. Securities for their redemption are held by this Department, and are only surrendered on the return of the notes.

Although the banks are being legislated out of existence, their notes, as a circulating medium, will maintain their former high reputation for safety and value. There can be no safer circulation than that of our New York State Banks, and holders may rest secure, that their State money is worth dollar for dollar in legal tenders.

Our banking system, so far as Congressional legislation can do it, is to pass away, and be superseded by the National, whose highest merits rest upon the fact that it is modeled after our own. GEORGE W. SCHUYLER, Superintendent.

COMMERCIAL CHRONICLE AND REVIEW.

Increase in Exports of Specie—Advance in Gold—Private Sale and Purchase of Government Securities—Rates of Discount—Prices of American Securities at London—New York prices of Governments—Railroad Stocks—Course of Gold for month—Treasure movement—Exchange, &c.

The disturbed condition of Europe has further acted upon us the past month, increasing largely the exports of specie, and sending up the price of gold, which has now broken away from the control of the Government. Of course all values are again unsettled, and very little business is being done. This, however, is the dull season, and we cannot anticipate any decided activity, at least, until it is time for the fall trade to begin. The latest news from Europe gives a more favorable account of affairs in England. The continued large arrivals of bullion from this side, and the comparatively limited exports to India and other quarters have had a good effect, and the bank rate has been reduced from 10 per cent to

8 per cent as the minimum. On the other hand, the war news has been growing more and more warlike, and while this is the case it is wise to act with caution. The tidings of the failure of the proposed Congress, the last effort of diplomacy to avert an appeal to arms, were followed on this side of the water by a sudden and alarming advance in the premium on gold. We do not propose to enter into a discussion of the origin of this phenomenon, or of the probable consequences to ourselves of a wide-spread and destructive Continental war. But it is eminently desirable that we should be aroused by it to consider how greatly our financial and commercial relations with Continental Europe have been changed by the events of the last six years; and how much more important those relations now are in their bearings upon our home interests, than they were before the recent enormous development both of our commerce with the German States and of our national debt. The efforts and the influence of France may for a time hold back the smaller German States of the South and West, Bavaria, Baden, Wurtemberg, and the petty sovereignties immediately dependent upon them, from the vortex of the war. But nothing can avert the immediate action of the conflict upon the commercial and industrial condition of these States, and through them upon all communities in any degree connected with them; and prudent men will bear it in mind, here in America as well as beyond the seas, that the coming summer and autumn are certain to witness financial and commercial disturbances analogous in kind if not equal in degree to those which for the four years of our civil war, fevered every branch of industry and activity among us, generated the passions and the perils of speculation, and unsettled all the system of our public and private economy. Not that we believe this result must of necessity be disastrous to ourselves, for if we only put our house in order and prepare for the storm, we may reap decided advantage from the strife now just begun.

There has been considerable excitement, not unaturally produced, by the private sale and purchase of Government securities on account of the Treasury. It is to be regretted that these transactions were conducted under the veil of secrecy, the public not being informed of the facts until they appeared in Mr. McCulloch's monthly statement of the Treasury. It would have been better and more consistent with the traditions, the habits, and the principles of our popular institutions, as well as more in accordance with what is done by other Governments, if there had been no attempt at secrecy. However, it is gratifying to know, as has been elicited from the recent Congressional enquiry, that since the 1st January all that Mr. McCulloch has done in this respect is to fund Seven-thirties and Compound Notes into Five-twenties to the amount of some 23 millions, and to purchase a small amount—about 1¼ millions—of the 173 millions of outstanding Ten-forties. This last transaction was altogether exceptional, and we understand it will not be repeated. It is said, in justification, that by these several movements a direct saving to the Government has been effected to the amount of more than $800,000; the credit of the Treasury has been improved, the new Five-twenties have been negotiated at from two to three per cent. premium, the Ten-forties have advanced in the market from 92 to 96, and the way has thus been in part prepared for any funding operations which may be next entered upon. This is all very well. But why the secrecy?

There are innumerable evils apparent to every one in allowing Government officials thus secretly to influence the market, putting the price of our bonds up and down at will, and it is unnecessary for us to, notice them here. It cannot but be hoped, however, by all friends of the Government, that this matupulating of our Securities will not soon be repeated. Below, we give the official paper lately presented to Congress, showing at what times and rates Five-twenties were sold by the Treasury Department between the 1st of January and the 2d of June for the purpose of funding Seven thirties, &c., noticed above :

OFFICIAL REPORT TO CONGRESS OF FIVE-TWENTY BONDS ISSUED AND SOLD SINCE JAN. 1, 1866, TO JUNE 4, 1866.

Date.	Principal.	Rate of premium.	Amount received.
Jan. 3*	$25,000	2¼	$25,647 63
6*	10,000	2¼	10,382 22
*	500,000	3	520,589 05
20*	1,000,000	2	1,033,150 70
22*	20,000	2¼	20,888 45
23*	100,000	2	103,347 95
24	1,000,000	2	1,033,808 20
3	285,000	2	290,700 00
5	100,000	2¼	102,125 00
6	451,000	1¾	458,892 50
8	269,500	1¾	274,216 25
10	105,000	1¾	106,837 50
12	30,000	1¾	30,525 00
15	174,000	1¾	177,045 00
16	50,000	1¾	50,875 00
16	3,000	1⅞	3,0 6 25
17	1,579,000	1¾	1,608,606 25
18	38,000	1¾	38,665 00
19	50,000	1¾	50,875 00
22	10,000	2	10,200 00
29	5,000	2	5,100 00
Feb. 2	200,000	2¼	204,250 00
2	30,000	2¼	30,675 00
5	50,000	2¼	51,125 00
6	10,000	2¼	10,225 00
8	60,000	2¼	61,350 00
8	20,000	2⅝	20,475 00
9	40,000	2¼	40,900 00
13	36,000	2¼	36,945 00
15	50,000	2⅛	51,437 50
19	5,000	2⅛	5,168 75
20	15,000	2¼	15,487 50
27	5,000	2	5,100 00
20	30,000	2⅛	31,012 50
28	16,500	2	16.995 00
14*	100,000	2	103,736 03
Mar. 3	30,000	2¼	30,937 50
3	38,000	2	39,140 00
13	20,000	2	20,600 00
16	70,000	2⅝	72,537 50
21	7,500	2⅛	7,771 88
Apr. 19	600,000	4½	627,750 00
19	125,000	4¼	130,625 00
Apr. 20	150,000	4¼	$942,750 00
..	150,000	4¼	156,937 50
..	550,000	4⅛	576,812 50
21	175,000	4¼	183,312 50
23	2,000,000	5	2,100,000 00
24	250,000	5¼	263,437 50
..	150,000	5¼	157,875 00
26	75,000	5¼	79,312 50
27	50,000	5¼	52,875 00
30	75,000	5¼	79,312 50
..	600,000	5¼	633,000 00
30	128,000	1¾	130,240 00
May 1	61,000	1¾	62,067 50
1	122,000	1¾	124,287 50
1	100,000	¼	100,250 00
1	1,500,000	5⅛	1,584,375 00
1	4 8,000	5¼	475,875 00
1	100,000	1¾	101.875 00
2†	1,021,500	...	1,021,500 00
4†	262,500	...	262,500 00
4	675,000	1¾	687,656 25
5	500,000	1¾	509,375 00
5	250,000	2	255,000 00
7	20,000	2⅛	20,425 00
8	10,000	2	10,200 00
8	1,500,500	1¾	1,528.125 00
8	548,000	1¾	557,418 18
11	162,500	2	165,750 00
26†	300,000	.	300,000 00
28†	200,000	...	200,000 00
18	100.000	1¾	101,875 00
18	500,000	2	510,125 00
21	90,000	2	91,800 00
26	1,000,000	1¾	1,018,750 00
28	70,000	2	71,400 00
21	70,800	2	72,216 00
26	64,000	‡	65,000 00
30†	26.600	...	.....
June 2	285,000	2	290,700 00
2	280,000	1 15-16	284,262 50
2	95,000	1 31-32	96,870 00
Total	$22,769,900	...	$23,435,349 99

The money market during the month has exhibited great ease. Below, we give the current rates for loans each week :

RATES OF LOANS AND DISCOUNTS.

	June 1.	June 8.	June 15.	June 22.	June 29.
Call loans	5 @ 6	5 @ 6	5 @ –	4 @ 5	4 @ 5
Loans on Bonds and Mortgage	6 @ 7	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos	5½@ 6	5 @ 5½	5 @ 5½	5 @ 5½	5 @ 5½
Good endorsed bills, 3 & 4 mos	6 @ 7	5½@ 6½	6 @ 6½	6 @ 7	6 @ 6½
" " single names	8 @ 9	7 @ 9	7 @ 8	7 @ 8	7 @ 8
Lower grades	10 @15	10 @15	18 @15	10 @12	10 @12

* With interest added. † Exchanged for 7 3-10 notes. ‡ *Sic* 1.564.

It is to be regretted that Mr. McCulloch has found it necessary to defer the issuing of the usual monthly statement of the public debt; for, independently of other reasons, the condition of the national finances is so strong, and the demand for our Securities at home and abroad is so active, that a much more widely-absorbing interest is expressed than for some time past to know those facts which the report gives to the public relative to the recent movements of the Treasury. We presume that there is in no degree a desire on the part of the Secretary that the doings of the Treasury Department shall be invested with mystery, or deprived of that publicity which is equally demanded by expediency and by law. The much complained-of delay is, probably, due in part to the multiplicity of the accounts with the National Banks which are depositories of the public money, and to the obligation to get each account posted up to the 30th June, so as to close up the fiscal year. Another cause of the trouble, if we are not misinformed, is connected with the accounts of the Collectors of Internal Revenue, which are said to be less promptly closed than might be wished by the remittance of of the cash balances due to the Government. We trust, however, that whatever be the origin of the non-appearance of the Treasury statement, it will be published without further delay.

Another point on which there is considerable public anxiety at present is the funding of the short debt into long bonds. It is impossible to contemplate without concern the fact that during the coming two years one thousand millions of our debt will mature, and that we must pay off this large sum by issuing bonds at long dates. Having such a large amount of bonds to sell within a limited time, it is surely the part of wisdom to begin the issue as soon as we can. And it is especially our duty in the present case to put our bonds before the public immediately, for the state of the money market is more favorable now than when the Fall business begins. At present, there is a superfluity of idle capital seeking investment, the current of the circulation is gorged with bank notes and other paper money, the paying off of thirty million of certificates drives out a mass of floating capital to compete for profitable employment, and the heavy payments making at this season on account of the interest and dividends of a large number of corporations and business firms contribute to augment the plethora of the loan market, and to render the present moment a more propitious one than may perhaps occur again for the negotiation; for suggestive indications are not wanting that if the auspicous advantages which now offer are not embraced, the extreme ease in money will give a very mischievous impulse to speculation, the feverish and debilitating effects of which, when the inevitable reaction sets in, may be very much in the way of the success of any government loan. It is reported that Mr. McCulloch is waiting to see what Congress will do, and what further powers will be confided to him before he makes any special efforts at funding. This procrastination, it seems to us, is quite unnecessary. It might, perhaps, be in some respects preferable that Mr. Sherman's proposed loan bill, or some other loan bill, should pass Congress, but we must not forget that, under existing laws, Mr. McCulloch has all the power that is necessary to issue five or six per cent. thirty-year or forty-year bonds in exchange for outstanding securities. He has indeed availed himself of these powers in his secret negotiations noticed above. What is necessary is to conduct on a larger scale

and in a more public manner similar negotiations of bonds for Seven-thirties and Compound notes.

The objection is raised that the next loan must consist of permanent consolidated bonds, which, in process of time, shall absorb all existing forms of the public debt, just as has been done by the Consols of England and the Rentes of France. Doubtless, it would be a convenience if this could be done. But it must be remembered that our Consols cannot bear more than five per cent. interest, and that they should not be issued below par. The opinion is held by most of us, indeed, that the time will come, and is not very distant, when five per cent. bonds of the United States will be at a premium; but that, at present, the large sums which we want to raise cannot be obtained in the limited time alloted to us, except by the issue of six per cent. securities. It has therefore been proposed to issue Five-twenties at a premium, with a view of paying them off in a few years and replacing them by five per cent. securities. Some of the advocates of the controllability of the debt are in favor of the issue of a series of new three-year currency-bearing bonds, similar in character to the Seven-thirties, and exchangeable for five per cent. bonds at maturity. Whatever plan Mr. McCulloch may adopt, he should decide promptly. Every one conversant with Wall street knows that gold-bearing bonds are extremely scarce. Five-twenties are as scarce in foreign markets as they are here. The investment demand for our citizens is so eager that it has taken up the whole mass of securities which have been remitted here from abroad, and has taken them up so rapidly that the price is considerably higher now than when the return movement set in last April. The same vigorous and insatiable demand may be expected for new bonds which has always been so conspicuous for the old ones.

The new tariff bill now before Congress has been the subject of much solicitude during the month. So far as we can understand, no one outside of Congress desires its passage, except a few iron men, and speculators with large stocks of goods on hand. Certainly such a bill is not for the interest of manufacturers, for every one will admit that stability in the tariff is of all things most to be desired by the manufacturer—and stability in the tariff is precisely what is endangered by unnecessary and exciting agitation of it. It is an extraordinary thing, if one will but calmly reflect upon it, that in a country which is ruled by a perpetual recurrence to the will of the majority, the large measure of protection which American manufacturers have received should ever have been accorded to them. Neither the influence of the great commercial centres like New York, which are directly interested in throwing down as much as may be all barriers to the free development of our import and export trade, nor that of the rapidly increasing agricultural States of the West, has heretofore been consolidated for the purpose of doing away with the principle of protection in our fiscal policy. It cannot certainly be the purpose of the manufacturing States to provoke such a consolidation, which, should it ever be effected, would rapidly and irresistably revolutionize our whole commercial system; and it is, therefore, very important that the manufacturing States themselves should take timely warning of the perils which they are certain to incur by an over-large desire on the part of their representatives to push the principle of protection beyond the limits at which it has been fixed for some years past.

Politics is an art of expedients. It is concerned with such waves of popular feelings, and such masses of material interests, that the utmost judgment is required of those who practice it to enable them to avoid pushing a given advantage so far as to unite an overwhelming reaction. A glance at the census tables, and a brief retrospect of the part played by the Western States in the late civil war, must satisfy every dispassionate observer that the practical control of our political affairs is destined, at no distant date, to pass into the hands of the Western people. When the Southern States shall return to their position in the Union as coequal participators in the halls of national legislation, the agricultural interests of the republic, especially when combined with its commercial interests, will be entirely irresistable. Surely, then, it is but an ordinary discretion which is needed to bear in mind the importance of avoiding everything which leads on toward any direct conflict of legislation in Congress with this formidable combination of the future. The condition of the currency, which must, for some time to come, exert an influence on prices unfavorable to the comfort of the masses of consumers, and the continued pressure of taxation for public purposes, will necessarily dispose the popular mind at the North and West, as well as in our great cities, to view with extreme suspicion everything which can be even plausibly presented to it as wearing the aspect of protection to "a class" rather than to the general interest of the country. Let the cry once be raised against the tariff that it is, as Mr. Wilson, of Iowa, has already described it, a piece of "legislation in favor of keeping up high prices," and it needs no ghost from the dead to tell us how dangerous a tide of popular hostility may be raised, not against a tariff of prohibition only, but against a tariff of protection as well. For it is the characteristic of reactions to be extreme, and precisely as we now find the ultra advocates of prohibition protesting that there are no industries which ought not to be fostered into life in America at any cost, so in the event of an anti-tariff reaction we may be sure that we shall hear the ultra enemies of protection affirming that no industries whatever merit or should receive legislative aid. All those manufacturers whose industries, under past tariff regulations, have become firmly fixed, and either yield a present profit or promise well for the near future, are directly concerned, and it should be their instant effort to moderate the extreme zeal of those advocates of their interests who threaten to jeopardize protection itself by urging it onward into practical prohibition.

The preparations for a great war in Europe have been productive of some very unusual fluctuations in financial movements at this centre. No sooner had we recovered from the drain of specie resulting from the London panic than we had to encounter a heavy demand from the capitalists of France and Germany, who, in anticipation of a wide spread and protracted struggle, called home their balances held in America, refusing to accept liquidation in any other form than gold. It was chiefly owing to this source of demand for the precious metals that, during the month of June, we exported $15,936,307 of treasure from this port alone. At the close of the month the shipments had declined to a merely nominal amount, indicating that the double drain to Europe is closed. The total export of specie for the last six months amounts to $45,493,138, an aggregate much larger than has occurred for the same months during the last seven years, and which exceeds the supply from California and from foreign sources by $27,685,-

769. The export of treasure from this port for the fiscal year ending June 30, amounts to $58,590,062, which is 27,221,740 in excess of the imports from California and from foreign countries. Taking the movement for the last seven fiscal years, we find that the exports from New York have aggregated $319,427,935, while we have drawn from California and foreign countries $236 692.439, showing an excess of exports over receipts of $82,745,496 for the whole period or an average of $11,820.785 per annum.

The following is a statement showing the supply of treasure from California and foreign ports for the first six months of the current year, and the corresponding period for the previous seven years; also the amount exported for the same months and years :

Months, &c.	New Supply. California.	New Supply. Foreign.	New Supply. Total.	Exports to for. ports.	Excess of Supply.	Excess of Export.
January	$1,485.316	$72,771	$1,558,087	$2,516,236	$.....	$988,149
February	3,003,000	172,122	3,775,121	1,787,029	1,988,093	.....
March	3,958 250	285,854	4,944,145	1,055.039	3.209,106	.....
April	1,539,321	161,817	1.701,138	554,654	1,146,484	.....
May	3,992,148	393,073	4.385,221	23.833,873	.....	19.448,652
June	1,843,271	201,335	2,043,656	15,736,307	.....	13,692,651
Jan. June, '66	$16.420,347	$1,297.092	$17,7-7.369	$45,4'8.138	$.....	$27,795,769
do do '65.	8.942,322	1,065 523	10,007,845	17.906,759	.....	7.898,914
do do '64	5,823,971	1,427,014	7,249.585	27.789,563	.....	20.539,978
do do '63	7,296.913	853,768	8,150,681	20.631,969	.....	12,481,288
do do '62	11,982,067	511,555	12,493,622	27,967,351	.....	15,493,729
do do '61	19.120,087	25,909,668	45.029,705	3,949.488	.....	.....
do do '60	17,591.976	691,831	18,283,807	21.578.841	41,780,267	3 295,034
do do '59	17,262,878	1,125,943	18,388,821	33,197,373	.....	14,808,551

The following are the totals for the fiscal years ending June 30:

	New Supply. California.	New Supply. Foreign.	New Supply. Total.	Exports to for. ports.	Excess of Supply.	Excess of Export.
1865-66	$29,009,811	$2.358,510	$31.368,321	$58,590,062	$.....	$27,221,740
1864-65	16,027.556	1,904,091	17,931,587	40,911.318	.....	22.979,731
1863-64	10,732.978	2,101,525	12,834,503	56,911,650	.....	44,077,147
1862-63	21.294,633	1,732,490	23.037,123	52.092,639	.....	29,055,516
1861-62	27,347,979	11,490,300	39,038,279	28.963,163	10,075,116	.....
1860-61	36.10 ,332	34.070,167	70.178,499	23,861,768	46,316,731	.....
1859-60	39,931,818	2,382,309	42,304,127	58,097,335	.....	15,793.208
Seven years	180,443.107	56,239,332	2'6.682.439	319.427,935	.....	82.745,496
Ann'al av'ge	25,777,587	8,034,190	33,811,777	45,631,562	.....	11,820,785

The usual export demand for gold has caused some extreme fluctuations in the premium. Speculation has seized the opportunity for forcing up the premium; large amounts of gold having been bought up and held off the market by cliques much to the dismay of those who had sold heavily for future delivery. The opening price of the month was 140¾; on the 18th the price touched 167½, but on the same day fell to 156¼, and has since ranged between 157 and 148½. These extraordinary oscillations in the premium show how largely the price of gold may be influenced by considerations other than the credit of the government. Within one week we find a change of nineteen points in the premium, resulting entirely from speculative operations. The price for the month has averaged six higher than for the same period of 1865. The following statement shows the course of gold for the month:

COURSE OF GOLD FOR JUNE.

Date.	Open'g	High'st.	Lowest.	Closing.	Date.	Open'g	High'st.	Lowest.	Closing
Friday..... 1	140⅞	141	140¾	141	Tuesday..... 19	154⅛	154⅝	149⅝	152.
Saturday..... 2	141⅜	141⅞	140⅞	141	Wednesday..... 20	153	153⅜	152	152⅜
Sunday..... 3	.....	.....	.....	.....	Thursday..... 21	151⅜	151⅜	148⅝	149⅜
Monday..... 4	140⅝	143⅞	140⅝	143⅜	Friday..... 22	149⅜	149⅜	148¾	149⅜
Tuesday..... 5	143¾	146⅜	143⅞	146⅜	Saturday..... 23	151⅝	153¾	151⅜	152⅞
Wednesday..... 6	144¾	145⅞	143⅜	144¾	Sunday..... 24	.....	.....	.....	.....
Thursday..... 7	145⅜	145⅜	142⅜	142⅜	Monday..... 25	153	155	152⅜	155
Friday..... 8	140⅜	141⅜	138¾	139¾	Tuesday..... 26	154⅜	157	154⅜	155⅝
Saturday..... 9	139⅜	139⅞	139⅜	139⅜	Wednesday..... 27	156⅜	156⅜	154¾	155
Sunday..... 10	.....	.....	.....	.....	Thursday..... 28	154	154	151⅜	152⅜
Monday..... 11	137⅜	139¾	137⅜	139¾	Friday..... 29	153¾	155	153¾	154⅜
Tuesday..... 12	143¾	143¾	141⅜	143	Saturday..... 30	154	154	152¾	153⅜
Wednesday..... 13	143⅜	146¾	142⅞	145¾					
Thursday..... 14	145¾	147⅜	145⅜	147⅜	June, 1866.....	140⅞	167⅜	137⅜	153⅜
Friday..... 15	148⅞	149⅞	147⅜	147⅞	" 1865.....	138	147⅜	135¾	141
Saturday..... 16	154	160	154	159	" 1864.....	194	250	193	147⅜
Sunday..... 17	.....	.....	.....	.....	" 1863.....	146¾	148⅜	140⅜	146⅜
Monday..... 18	167¾	167⅜	156¾	156⅞	" 1862.....	108⅜	109⅜	108⅜	109

The course of foreign exchange has varied with the extraordinary movements in foreign balances. For the first half of the month remittances were made almost entirely in sight bills, drawn chiefly against gold or Five-twenties. This caused a depression in sixty-days' bills, which was turned to account by parties "short" in gold, who borrowed exchange for sixty days, and forced it upon the market, in order to realize coin for covering their gold contracts. This had the effect of forcing down the best bankers' sixty-days' sterling bills from 109¼ to 107½. Confidence in time bills recovered toward the close of the month, and exchange may be now considered to have recovered its ordinary tone and condition. At the close of the month there was a very marked caution in drawing upon Frankfort and Berlin, and to a certain extent on Hamburg also.

The following table shows the daily fluctuations of Exchange (long) on London, Paris, Amsterdam, Bremen, Hamburg and Berlin, at New York, for June, 1866:

COURSE OF EXCHANGE FOR JUNE.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1.....		(Business closed—Gen. Scott's funeral.)				
2.....	109⅜@109⅞	512½@510	41⅝@42⅛	79⅛@80⅛	36⅜@37⅛	73⅛@74
3.....	.....	.....	.....	.....	.....	.....
4.....	109⅜@110	512½@510	42 @42½	79⅛@80	36⅜@37⅛	73⅛@74
5.....	109⅞@110	512⅜@510	42 @42⅛	79⅛@80	36⅜@37⅛	73⅛@74
6.....	109⅞@110	512½@508¾	42 @42⅜	79⅛@80	36⅜@37⅛	73⅛@74
7.....	109⅞@110	515 @508¾	42⅛@43⅛	79⅛@80¼	36⅛@37⅛	74 @74⅛
8.....	109⅞@110	515 @510	42 @42¼	79¼@80	36⅜@37⅛	74 @74⅛
9.....	109⅞@110	515 @510	42 @42⅜	79¼@80	36⅜@37⅛	74 @74⅛
10.....	.....	.....	.....	.....	.....	.....
11.....	109⅜@109⅞	515 @510⅜	42 @42¼	79¼@80	36⅜@37⅛	74 @74⅛
12.....	109⅜@109⅞	515 @510	41⅜@42⅛	79⅛@80	36⅜@37⅛	74⅛@75
13.....	109⅜@109⅞	515 @510	41⅜@42⅛	79⅛@80	36⅜@37⅛	74⅛@75
14.....	109⅜@109⅞	515 @508¾	42 @42⅜	79⅛@80	36⅛@37⅛	74⅛@75
15.....	109⅜@109⅞	515 @510	41⅛@42⅛	79 @79⅛	36⅛@37⅛	74 @75
16.....	109⅜@109⅞	515 @510	41⅛@42⅛	79 @79⅛	36⅛@37⅛	74 @75
17.....	.....	.....	.....	.....	.....	.....
18.....	107⅜@108⅜	515 @507½	42 @42⅛	79 @80	36⅜@37	74 @75
19.....	107⅜@108⅜	517⅜@510	41 @41⅛	78 @79	36@36⅜	73 @74
20.....	107⅜@108⅜	517⅜@510	41 @41⅛	78 @79	36 @36⅜	73 @74
21.....	107⅜@108⅜	517⅜@510	41 @41⅛	78 @79	36 @36⅜	73 @74
22.....	108 @108⅜	518⅜@512½	40 @41⅛	77⅛@79	35 @36⅛	73 @74
23.....	108 @108⅜	518⅜@512⅛	40 @41⅛	77⅛@79	36 @36⅛	73 @74
24.....	.....	.....	.....	.....	.....	.....
25.....	108 @109	518⅜@512⅛	40 @41⅛	77⅛@79	36 @36⅛	73 @74

26	108 @109	518¾@513¾	40 @41¼	77¼@78	36 @36¾	74 @75
27	108 @109	518¾@512¾	40 @41¼	77¾@78	36 @36¾	74 @75
28	108 @109	520 @512¾	40 @41¼	77 @79	35¾@36¾	73½@74
29	108¾@109	517½@518¾	40¼@40¾	77¾@79	36 @36¾	74 @75
30	108¾@108¾	517½@513¾	40¾@40½	77¾@79	36 @36¾	74 @75
June	107¾@110	520 @507½	40 @42¾	77 @80¼	35¾@37½	73 @75
May	108¾@109¾	520 @510	40½@42¾	78¾@80	36 @37¼	71 @74
Apr	106¼@108¾	537½@517½	39½@41	76¾@78¼	35 @36¾	69¾@71¾
Mar	106¼@108¾	530@ 518¾	40 @41	77 @78¾	35½@36¾	70¾@71¾
Feb	107¼@108¾	532¼@517½	40¼@41	77 @79	35½@36¾	70½@71½
Jan	108 @109¼	533¾@515	40½@41	78 @79½	36 @36¾	71 @71¾

Stock speculation has been steady, but feeble, partially owing to the diversion of attention to the Gold Room, and partially to the absence of operators in the country. The chief activity has been in Erie common stock, which has fluctuated between 57½ and 65¼. and the aggregate transactions on which for the month have amounted to 457,820 shares. Prices, however, have been, on the the whole, steadily maintained. The following comparison is of interest, as showing the number of shares sold at the Stock Exchange and the Public Board during each of the last twelve months :

	Shares of stocks sold.	Bank shares sold.		Shares of stocks sold.	Bank shares sold.
July, 1865	1,287,461	1,686	January, 1866	2,459,475	4,71
August	1,101,256	1,876	February	1,593,725	4,207
Sep ember	1,171,938	2,872	March	1,888,617	3,535
October	2,945,214	1,714	April	1,103,195	4,527
No ember	2,142,985	1,623	May	2,305,515	4,439
December	1,883,447	2,608	June	1,445,276	3,430
Total				21,857,099	36,62

The following are the closing quotations for leading stocks compared with those of previous weeks :

	May 25.	May 31.	June 8.	June 15.	June 22.	June 29.	July 6
Cumberland Coal	45¾	....	46	....	....	45	45¼
Quicksilver	52¼	52¾	51¾	....	50¾	47¾	47¾
Canton Co	57¾	60	59½	60	59	54½	55½
Mariposa pref	23¾	24½	24½	24	23	22½	23½
New York Central	94½	98	97¾	98¾	98¾	98¾	99¾
Erie	68¼	60¾	63	61¾	59¾	61¾	63¾
Hudson River	113¼	113¾	....	110¾	111¾	....	....
Reading	110¾	109¾	109¼	109¼	108¾	109½	x c 107¼
Michigan Southern	80	80¾	79¾	79¼	79	78¼	80
Michigan Central	108	107	108	109	108	....	x c 105¾
Cleveland and Pittsburg	86¾	84½	83	83	84¾	83¾	83¾
Cleveland and Toledo	104¾	....	xd.104	105	106¾	106½	106¾
Northwestern	28¾	28¾	31¾	30¾	29¾	30	31¾
" preferred	58	58¾	60¾	59¾	58¾	59¼	61¼
Rock Island	93	....	92¾	94	95	94	96
Fort Wayne	96¼	97¾	96¼	97¾	98¾	98¾	97¾
Illinois Central	118	118¾	121	122	120¾	121	121¾

The monthly range of prices of leading stocks sold at New York for the first six months of the current year are as follows :

MONTHLY RANGE OF STOCKS—JANUARY-JUNE, 1866

Railroad stocks, viz.:	January.			February.			March.			April.			May.			June.		
	High.	Low.	Last.	High.	Low.	Last.	High	Low.	Last.	High.	Low.	Last.	High.	Low.	Last.	High.	Low.	Last.
Central of New Jersey	119	114	114	114	113	113	111¼	104	107¾	110	106¾	109¾	117	110	116	117	115¼	117
Chicago and Alton	105¼	103	104¾	119	102	113	112¾	83	86	90¾	84	90¾	99	91	96	99	96	98¼
do do preferred	107	105	107	120	103	118	118	94¼	94¾	96	93	96	101	100	101	102	102	102
do Burlington and Quincy	114	109¼	109¾	112	112	112	115	113¾	115	117¾	115	117	117	113	115¾	121	116	121
do and Northwestern	26¼	27	28¾	29¾	26¾	27¼	27¾	25	26	30¼	24	27¾	29¾	26¼	28¾	31¼	28¼	30¼
do do pref	62¾	53¼	56	56¾	53¼	54¾	57¾	52	53¾	59¼	53¼	58	61¾	55¾	58¼	61¾	58	59
do and Rock Island	109¾	96¾	101¼	107	98	105¼	118¾	104¾	111¼	123¼	107	122	96¼	89¾	93¼	95	91	94¾
Cleveland, Columbus & Cincinnati	122	110	115	115	114	114	115	111	115	115	114¼	114¾	115	114	115	118¼	116	117
do and Pittsburg	87	74¾	82¼	83¾	76	77¾	82	75¼	77¼	84¼	78¾	80¾	99	80¾	84¼	87¾	80	83¾
do and Toledo	113¼	103	107	108¾	105	108	113	107	108	106¼	99¾	104	105¾	103	104¾	107	104¾	106¾
Delaware, Lackawanna & Western	158	149	149	145	140	141	125¼	124	125¼	130	130	130	140	135	140	147	144	147
Erie	93	80¾	82	85¼	76	85¼	87	74¾	74¾	79¾	71¾	74	75	57¾	61¼	65¾	57¾	61¾
do preferred	83¼	81	81	82¼	80	82	81	80	80	80¼	77	77¼	80	74	74	76	72	74¾
Hudson River	109¼	98¾	102	104¾	99	103¾	109¼	102¾	107¾	110¾	102¾	109¾	113¾	108	113¾	113¾	110	112
Illinois Central	131¾	115	116¼	116¼	113¾	115	119¾	114¾	117	124	114	121¾	122¾	115	119	124	117	120¾
Michigan Central	108¾	101¼	101¾	105¼	100¾	102¼	104	101	101¾	107¾	101¾	107¼	109¾	106	107	104¼	102¼	104
Michigan Southern	75¾	66¾	69¾	71¾	66¾	70¾	83¾	69¼	83¾	96¾	78	78¼	81¼	77	80¾	80¾	78¼	78¾
Milwaukee and Prarie du Chien	97	90	97	98	90¾	96	91	91	91	94	93	98	94	92	94	..	..	..
Milwaukee and St. Paul	..	..	..	46¼	45	45	46	41	42	47	42	43	59	50	51¾	59	55	57
New York Central	98	90¾	92¼	93	86¾	91¼	93	90¼	90¾	93¼	90¾	92¾	98¾	91¾	98	99¼	97	98¾
Panama	245	235	240	243	240	243	..	..	..	251	250	250	..	..	..	260	260	260
Pittsburg, Fort Wayne & Chicago	104¾	91¼	94¼	95¾	91¼	92¾	99	88¾	92¾	100¼	88	98¾	100¾	92¼	97¾	100	96	98¼
Reading	107	97¾	100¾	102¾	97¾	100¼	103¼	96¾	99¾	105¾	98¾	105¾	111¼	105¾	109¾	110¾	107	109¾
St. Louis, Alton and Terre Haute	33	33	33	36	30	32	35	29	31¾	33	30	36	34¼	30	34	33	30	31
do do Preferred	71	56	56	61	58	61	67	57	67	68	61	66¾	66¾	61	63¾	63	61¼	62
Toledo, Wabash and Western	42	42	42	40	31	38	33	31¾	32	39	32	38¾	37¾	33¾	35¾	36	35	35
Coal stocks, viz:																		
American	69	65	66	60	58	60	65	59	60	66	61	62	65	62¾	65	61	60	61
Ashburton	14	13	13¾	..	..	..	14	13	13	14	13	14	18	14¾	16	..	..	..
Central	53	43	43	43	41	43	47¾	41	45¾	45	42¾	42¾	44	42	42	..	..	..
Cumberland	47¼	41¾	45¼	45¾	44¼	45¼	45¾	42	43¾	46¾	42¼	45	49	43¼	45¾	47	44¼	45
Delaware and Hudson Canal	139	134¾	134¾	136	134	135	135¾	133	133	136	133	136	150	141¾	145	155	146	155
Pennsylvania	170	167¾	167¾	162	155	155	150	142	142	135	131	135	145	140	141	147¼	142	147¼
Spring Mountain	56	55	56	..	..	..	45¼	44	44	55	42	54	54	39¾	41	39¼	32¼	37
Spruce Hill	..	..	..	..	..	..	4½	3	4½	7	4¼	5¾	5¾	4	4¼	4¼	4	4
Wilkesbarre	..	..	..	60	60	60	50	50	50	48	48	48	52	48	52	55	51	54¼
Wyoming Valley	53	50	53¼	53¼	49	49	44	44	44	40	37	40	40	39¼	40	40	40	40
Miscellaneous stocks, viz:																		
Boston Water Power	..	..	..	..	..	..	..	..	..	43¼	34¼	37	51¾	31¾	51	51¾	33¼	34
Brunswick City	8	8	8	..	..	..	6¼	5¼	5¼	13	7¾	10	10	8¾	8¾	8¼	8	8
Canton	45¼	42	44	44¾	42	44¼	48¾	46¾	47¼	57¾	47	56¾	62	55¾	61¼	61¼	53¼	54¾
Cary	..	..	..	..	..	..	..	..	..	14	14	14	16¾	12	16¾	18	12¾	12¾
Western Union Telegraph	58	44¼	52¾	70	54	69¾	60	57¼	57¾	59	52	57¾	64	57	60¾	62	49¾	50¾
do do Russ. ext.	..	..	..	..	..	..	109	108	108	109	106¼	107	108	107	107	107¼	105	106
Atlantic Mail Steamship	135	108	115	136	102	121	133¼	128	131¼	133	121¼	121¼	133¼	123¼	126	130	124	125¼
Pacific Mail Steamship	210	180	185	212	185	208	215	205	215	227	215	225	225	225	225	213¼	213	213
Mariposa Gold	15	12¾	13	13	10¾	12	13¾	11¼	13¼	13¾	11¼	12¼	13¾	11	12¾	13¾	10¾	10¾
do do preferred	19¼	16	17¾	17¾	15	17¾	18¾	16¾	18¾	25¼	17¾	24¼	26¼	19¾	24¼	26¼	21	23¼
Quicksilver	44¼	36¾	40¼	44	39¼	44	43¼	40	41	58	40	53	56¾	49	53¼	52	48	48

Government securities have exhibited usual activity during the month. This has been partly the result of a demand for export to Europe, but perhaps owing more to the wants of home investors, who desire this form of security for employing their large surplus balances. The amount of Government bonds and Treasury notes sold at the boards during June has been as follows:

Government Bonds	$7,463,800
" Notes	2,485,250
Total	$9,949,000

Below we give the sale prices at the New York Stock Exchange Government Securities represented by the closing sale each day during the month of June, 1866:

PRICES OF GOVERNMENT SECURITIES, APRIL, 1866.

Day of month.	6's, 1881. Coup.	6's, 1881. Reg.	6's, 5-20 yrs. Coup.	6's, 5-20 yrs. Reg.	5's, 10-40 yrs. Coup.	5's, 10-40 yrs. Reg.	7-30's, 1867.	1 y'r certif.
Friday..... 1	(No business—General Scott's Funeral)							
Saturday... 2	109¼	.....	102¼	.....	96	....	102⅝	...
Sunday 3	.....	.....	.....	.....	....	....	.. .	....
Monday.... 4	110	.....	102¼	102¼	96⅛	....	.....	....
Tuesday... 5	.....	.....	103	102¼	95⅞	....	102⅛	....
Wednesday 6	109⅜	.....	102¼	.....	96	....	02⅛	....
Thursday.. 7	109⅜	.....	102⅛	.....	96	....	102¼	....
Friday..... 8	.....	.....	102¼	.....	96⅛	....	.....	....
Saturday... 9	109⅜	.....	102⅛	102⅛	96⅛	....	102⅛	....
Sunday.....10	.....	.....	.....	.....	....	....	.....	....
Monday....11	109⅜	107	102⅛	.....	96¼	....	102¼	....
Tuesday ...12	110⅛	105⅞	102⅛	102⅛	96¼	....	102¼	....
Wednesday13	.....	.....	102¼	102⅛	96¼	....	102¼	....
Thursday ..14	110¼	.....	102⅛	102⅛	96¼	96¼	102¼	....
Friday.....15	110¼	.....	102¼	.....	96⅛	....	102¼	....
Saturday...16	.....	.....	102¼	.....	....	....	102¼	....
Sunday.....17	.....	.....	.....	.....	....	....	.....	....
Monday... 18	110⅛	106¼	104	.....	96¼	....	102⅛	100⅛
Tuesday...19	110⅜	106⅛	103¼	.....	96¼	....	102⅛	....
Wednesday20	110¼	.....	103⅛	103	96¼	....	... .	....
Thursday ..21	110¼	... .	103¼	103	...	....	102⅞	....
Friday.....22	110⅜	.....	103¼	103	96⅛	....	102⅞	....
Saturday.. 23	110⅛	.....	103⅜	.....	96⅛	....	102⅜	....
Sunday 24	.....	.....	.....	.....	....	....	.....	....
Monday....25	.....	.....	103¼	.....	96⅛	....	.....	....
Tuesday .26	110⅝	.....	103¼	.....	96⅛	....	102⅝	100¼
Wednesday 27	.....	.....	104	.....	96⅛	....	102⅝	100⅛
Thursday ..28	110⅞	.....	104¼	103¼	....	....	103⅛	....
Friday 29	.....	.....	104⅜	.....	97⅛	....	103¼	....
Saturday ...30	.....	.....	104¼	.....	97⅛	....	103¼	....
Opening.....	109⅛	107	102¼	102¼	96	96¼	102⅝	100⅛
Highest.....	110⅞	107	104⅜	103¼	97⅛	96¼	103¼	100¼
Lowest.....	109¼	105⅞	103	102¼	96⅜	96¼	102¼	100⅛
Closing.....	11.⅞	106⅛	104¼	103¼	97⅛	96¼	103¼	100⅛

The following are the returns for May (and the first five months of the year,) of the principal railroads which make regular reports:

	May. 1865.	May. 1866.		
Chicago and Alton	$322,227	$333,432	Inc.	$11,205
Chicago and Great Eastern	76,674	108,973	Inc.	32,299
Chicago and Northwestern	585,628	735,088	Inc.	150,459
Chicago and Rock Island	227,260	264,605	Inc.	37,345
Cleveland and Pittsburg	215,784	198,082	Dec.	17,702
Detroit and Milwaukee	30,798	30,276	Dec.	522
Erie	1,425,120	1,101,668	Dec.	323,451
Illinois Central	460,573	507,830	Inc.	47,257
Marietta and Cincinnati	73,842	95,664	Inc.	21,822
Michigan Central	401,456	365,196	Dec.	36,260
Michigan Southern	353,194	426,493	Inc.	73,299
Milwaukee and Prairie du Chien	146,943	167,488	Inc.	20,545
Milwaukee and St. Paul	203,018	245,511	Inc.	42,493
New York Central	1,255,000	1,107,000	Dec.	85,000
Ohio and Mississippi	290,914	283,130	Dec.	7,786
Pittsburg, Fort Wayne & Chicago	637,186	672,628	Inc.	35,442
St. Louis, Alton & Terre Haute (Apr.)	169,299	167,301	Dec.	1,998
Toledo, Wabash and Western	138,738	316,433	Inc.	177,695
Western Union	63,862	86,913	Inc.	23,051
Total...	$7,077,513	$7,213,705	Inc.	136,192

The earnings for the first five months of the year compare as follows :

	1865.	1866.		
Chicago and Alton	$1,455,605	$1,427,290	Dec.	$28,315
Chicago and Great Eastern	390,759	490,911	Inc.	100,152
Chicago and Northwestern	2,576,446	2,706,762	Inc.	130,316
Chicago and Rock Island	1,254,719	1,100,461	Dec.	154,258
Cleveland and Pittsburg	988,046	859,551	Dec.	128,495
Erie	5,996,636	5,496,440	Dec.	500,196
Illinois Central	2,694,354	2,526,280	Dec.	168,074
Marietta and Cincinnati	434,269	435,685	Inc.	1,416
Michigan Central	1,668,885	1,594,324	Dec.	74,061
Michigan Southern	1,132,763	1,250,314	Inc.	117,551
Milwaukee and Prairie du Chien	496,838	554,378	Inc.	57,540
Milwaukee an St. Paul	589,900	752,236	Inc.	162,336
Ohio and Mississippi	1,374,719	1,4 0,439	Inc.	25,720
Pittsburg, Ft. Wayne and Chicago	3,597,283	2,963,322	Dec.	633,961
Toledo, Wabash and Western	721,747	1,963,366	Inc.	541,619
Western Union	211,193	250,653	Inc.	39,460
Total (16 lines	$25,483,662	$25,072,412	Dec.	411,250

The length of the T., W. and W. in 1865 was 242 miles, and in 1866, 484 miles; and hence it results that a relative decrease has been made, instead of the absolute increase shown above

The earnings of the Cleveland and Pittsburg for the first five months, 1864, '65, and '66, have been monthly as follows :

	1864.	1865.	1866	1864-5. Increase.	1865-6. Dec.
January	$139,414	$173,557	$168.799	$34,143	$4,758
February	170,879	180,140	151.931	9,789	28,209
March	202,857	222,411	167,007	51,533	55,404
April	198,919	196,154	173,732	2,235	22,422
May	208,514	215,724	198,082	12,270	17,702
Five months	$910,583	$988,046	$859,551	$77,463	$128,495

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Instructions of Comptroller of New York to Assessors, respecting taxation of Stockholders in National Banks—Prices of N. Y. City Bank Shares for six months—Returns of Banks of the three cities.

The Comptroller of the State of New York has issued the following circular to assessors of taxes, under the law relating to the assessment and taxation of the shareholders of banks :

STATE OF NEW YORK, COMPTROLLER'S OFFICE, ALBANY, June 28, 1866.

Under the provisions of law which direct the Comptroller from time to time to transmit forms and instructions to the assessors throughout the State, and which require assessors to be governed thereby, the Comptroller deems it his duty to call the attention of these officers to the requirements of the act, chapter 751, laws of 1866, relating to the assessment and taxation of the shareholders of banks, and to prescribe the following rules for their observance:

First, In estimating the value of bank shares the usual course has been to assess them at their par value. But this standard cannot always be relied on as correct. The real value depends very much on the amount of surplus funds that has been accumulated, and where these amount to a large per centage on the capital, as they do in many instances, the real value of the shares will be increased in proportion. Hence to assess on the par value, as a fixed rule, would result in a discrimination in favor of banks holding large amounts of surplus funds, and against others not similarly situated. Assessors should decide as to the value on the best information within their reach. In no case, however, should the assessment be less than the par value, without proper evidence that the capital has been impaired, through losses actually charged over on the books. The Comptroller is informed that in several counties the assessors are disposed to assess bank shares at a price much less than the par value, under the preference that in so doing they would only be giving to personal property, in the form of bank shares, the same advantage that is enjoyed by individual holders of other kinds of personal property, a large proportion of which it is said is concealed, and therefore not assessed or taxed. There is nothing in the act which justifies so loose and incorrect a mode of assessment. The provision in the first section that the shares shall not be estimated "at a greater rate than is assessed upon other moneyed capital in the hands of individuals," evidently refers to the rate per cent.

of tax, and not to the amount of the assessment. Such is the construction given to the passage by this department, and assessors should conform thereto.

Second. No deduction should be allowed shareholders from the assessment of their shares for debts. The only deduction provided for is a proportionate part of the real estate of the bank which is to be assessed against the corporation. If it had been the intention of the Legislature to allow of other deductions, it is fair to presume that they would have been expressly mentioned in the act. The inference that, because the value of the shares is to be included in the valuation of the personal property of the shareholder, his right of offset for debts will attach to this, as well as other items of his personal estate, does not appear reasonable or just. The value of the shares is to be included in the valuation of the personal property of the shareholder, "at the place, town or ward where the bank is located, and not elsewhere." Now, as a large proportion of the holders of bank shares reside in places, towns and wards other than where the institutions are located, it is plain the value of their shares cannot be included in the valuation of the personal property of this class, because it is a general provision of law that the taxpayer is to be assessed for his personal effects in the district where he resides. Hence, if the law were administered on the inference stated, it would give resident shareholders a privilege not possessed by non-residents, and thus result in an inequality which it may be presumed the legislature did not intend to sanction. It would have another bad effect, by making it impracticable for banks to assume and pay the taxes levied on the respective interests of their shareholders, as it is believed most of them will do, provided the shares are included in the valuation of the personal property of the stockholders, as a separate and distinct item. If mingled with other property, subject to deduction for debts, it would be difficult, if not impossible, to separate it from the mass, and ascertain the exact amount of tax with which it was chargeable. Thus, any benefit and convenience to be derived from an assumption of the tax by the banks would be lost. Practically, the question is of no importance, except to the few taxpayers, where debts exceed the value of their personal property other than bank stock. To the great majority the right of offset would be of no advantage if admitted, while it would create inequalities and embarrassments that would render the administration of the law more difficult.

Third, No deduction should be allowed for the proportionate interest of a shareholder in the stock or bonds of the United States held by the corporation. It is true that these securities cannot be taxed, either in the hands of corporations or individuals, but the Supreme Court of the United States, in the case of Van Allen vs. Nolan et al., assessors, has decided that a tax on the shares is neither a tax of the capital of the bank nor of the stocks of the United States, where the whole or a portion of the capital may be invested in such stocks. However opinions may have differed on this subject, the case referred to must be taken as an authoritative decision of the question, which leaves the whole of the interest of the shareholder subject to the tax.

Fourth, In case of individual bankers, the act contemplates that they are to be assessed in the same way as banks and banking associations. This appears evident from the fact that, although they may not issue certificates of stock, each $100 of their capital, for the purpose of taxation, is to be held and regarded as one individual share, and the shares are declared to be personal property. It should be understood, however, that the term "individual bankers" does not include persons engaged in business under the name of bankers who are not organized as such under the banking laws of the State, who issue no circulation, and who do not therefore appear to come within the designation of the term as used in the act. The capital of this class is to be assessed on the same principle as the property of other individuals, and they are entitled to the same deductions from the amount of their assessments, for debts and investments in United States stocks.

Fifth, By the seventh section of the act, "the franchises and privileges granted by the Legislature to savings banks or institutions for savings are declared to be personal property, and liable to taxation as such in the town or ward where they are located to an amount not exceeding the gross sum of their surplus earned and in the possession of said bank or institution."

The right to tax corporations for their franchises is so clear that it is difficult to see how it can be strengthened by making them personal property, if that were possible. It is no less difficult to realize the policy or justice of taxing a bank for them to an amount equal to its whole earned surplus, a procedure which would at once close up every saving institution in the State. Construing the section in conformity with what is believed to have been the intention of the Legislature, though the language fails to express it, the Comptroller concludes that these institutions should be assessed on the amount of their surplus funds, after deducting such portion as may be inserted in the stocks of the United States. It is not easy to see how this deduction can be avoided by a tax on the franchises and privileges, as provided in the act, if such tax be imposed in the usual form of a percentage on a fixed valuation or assessement. The stocks of the United States being exempt from taxation, they could not properly be included in the assessment and must therefore escape.

It is equally clear that these securities, as owned by savings banks, do not come within the scope of the Supreme Court before referred to. It is there held, substantially, that a tax on the shares of a banking corporation is not a tax on the stocks of the United States in the possession and ownership of the institution, but that, on the contrary, it is a tax upon the new use and application of these securities, conferred by the charter of the association. As there is no use or application of the indebtedness of the Government given to savings banks except such as is enjoyed in common with individuals—that is, the right of holding them for the purpose of investment—it seems plain that they are as fully exempted from local taxation in the one case as in the other.

THO. HILLHOUSE, Comptroller.

These instructions, issued by the Comptroller, need no comment as they are clear and explicit, and every shareholder will read them for himself. We give

below a table showing the monthly range of Bank Shares for the first six months of the current year:

Banks.	January.	February.	March.	April.	May.	June.
America.....	133 @135	137 @140	137 @137	137 @140	140½@140½	.....@...
Amer. Exch	110 @113	113 @114	110 @113	115 @116	110 @114	113 @113½
B. & Drovers'	... @...	... @...	120 @120	... @...	145 @145	... @...
Central	107½@108	108 @109	107½@109	103½@106	107 @108	105 @107
Chatham	... @ .	... @...	135 @137	... @...	... @...	... @...
Commerce .	103 @105	104 @107	105 @106	106 @108	109½@110½	110 @114
Commonw'th.	... @	101 @101	100 @101	103 @103	101 @102	101 @101½
Continental...	96 @ 97½	96 @ 97	96½ · 97	97 @100	97 @100	100 @102
Corn Exch....	.. @ ..	115 @115	114 @114	... @...	... @...	... @...
First	... @...	212 @212	... @ .	... @...	... @...	... @...
Fourth	96 @ 98	97 @ 98	97 @100	100½@103	103½@104	x. 98½@100
Fulton	150 @150	... @...	... @...	... @...	... @...	... @.
Gallatin	... @...	... @...	110 @110	... @...	103 @107½	107½@ 08
Hanover.....	@...	... @...	.. ..	... @...	113 @113	... @...
Imp. & Traders	100 @100	100 @102	100½@102	107 @110	108 @115	113 @114½
Irving	110 @110	. @...	... @...	. @...	... @...	... @. .
Leather Manuf	... @ .	180 @180	... @...	... @ .	... @...	... @...
Manhattan	... @...	.. @...	... @...	... @...	... @...	132 @132
Manuf & Mer.	... @...	... @...	102 @103	... @...	108 @105	... @...
Market	133 @1°3	... @...	108 @108	... @...	... @...	114½@114½
Mechanics....	115 @115	113 @114	113 @114	113 @113	... @...	... @...
Mech. B Assoc	... @...	... @...	... @...	108 @108	104 @106	105 @106
Merchants' ...	210 @110½	110 @110	110½@113	114 @115	114½@116	110 @110
Merch. Exch .	... @...	103 @106	106 @107	109 @113	115 @115	107 @110
Metropolitan..	120½@122	120½@122	120½@121½	120 @122	120 @123	122 @129
Nassau.	.. @...	107 @107	... @...	... @ .	... @...	... @...
New York ...	110 @112	112 @112	112 @113	115½@116	... @...	... @...
Ninth	102 @109½	108 @108	107 @109	109 @110	110 @111	112 @112
North Amer..	... @...	... @...	... @...	110 @110	106 @107	110 @110
North River..	... @...	120 @120	102 @102	... @...	... @...	... @...
Ocean	95 @ 95	92 @ 93	91½@ 96	97½@ 98	100 @102	100 @100
Park	145 @150	145 @145	145 @155	... @...	150 @150½	150 @150
Peoples'.....	... @ ..	... @...	... @ .	118 @118	... @...	... @...
Phœnix	96 @ 96	97 @100	96 ½ 98	98 @ 98	103 @105	104 @104
Republic	110 @112	108 @109	109 @109	109 @109	111 @111	113 @113
St. Nicholas..	... @...	... @...	100½@102	101 @101	... @...	104½@105
Shoe & Leath.	100 @103	102 @106½	108 @111	110 @110	110 @110	... @...
State of N. Y.	... @...	... @...	106 @106	108 @108	106 @109	105½@109
Tradesman's.	... @...	... @...	131 @131	135 @135	... @...	. . @...
Union	116 @...	118 @120	... @ ..	... @...	115 @115	... @...

We give below the bank returns of the three cities. It will be seen that the specie in New York city is now reduced to the low figure of $7.797.218 while the legal tenders are increased and now amount to $81 882 640. The following are the returns of the New York City Banks:

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
Jan. 6, 1866...	$233,185,059	$15,778,741	$18,588,428	$195,482,254	$71,617,487	$270,617,628
" 13.....	234,938,198	16,852,568	19,162,917	197,766,999	73,019,957	608,082,837
" 20.....	239,337,726	15,265,327	20,475,707	198,816,248	72,799,892	538,949,811
" 27.....	240,407,836	13,106,759	20,065,883	195 012,454	70,819,146	516,923,673
Feb. 3.....	242,510,382	10,937,474	21,494,234	191,011,695	68,796,250	508,569,123
" 10..... .	242,608,872	10,129,806	22.240,469	188,701,463	68,436.013	493.431,032
" 17.....	243,068,252	10,308,758	22,983,274	189,777,290	64,802,980	471,886,751
" 24.....	239,776,908	14,213,351	22.959,918	183,241,404	61,602,726	497,150,087
Mar. 3.... ..	235,339,412	17,181,130	22,994,086	181,444,378	58,760,145	526,539,959
" 10.....	233,068,274	16,563,287	23,033,237	180,515,881	64,341,892	594,204,912
" 17.....	233,517,378	15.015 242	23.303,057	185,438,707	68,402,764	579,216,509
" 24.....	234,500,518	13,945,651	23.243,406	185,868,245	69,406,033	593,448,864
" 31	237,816,099	11,930,392	23,736,534	188,554,592	72,158,199	529,240,640
Apr. 7.....	242.643.753	11.486,295	24,127 031	189,094.061	71.445.0 5	602.315.748
" 14.....	244,009,889	11,035,129	24,538,981	193,153,469	73.910.370	578,587,858
" 21.....	242 067.063	9,495.463	24.045,837	196,808,578	77,6 2,688	535.824,778
" 28.....	245,017,692	8,243,937	25,377,280	202.718,574	80,589,022	545.3?9,068
May 5.....	2 8,974,134	10 914,997	25,415,677	210,373,303	81.2 4,447	603.556,177
" 12	257,821,317	13,970,402	24,693,259	217,552,853	85,040,659	523,093,538
" 19.....	255,690,463	13,595.465	25,189,864	217,427.729	85,710,107	579.342,483
" 26.....	257,969,593	19,736,929	26,223,867	208,977,905	73.829,947	713.575,444
June 2...	250,959,022	21,858,093	26,214,.55	198.12 ,289	69,188, 62	713.575,444
" 9..... .	249.583,959	15,821,663	25.967,253	202,503,949	74,628,674	623.656,881
" 16.... ...	247,301,547	11,217.3?5	25,887,876	202,415,673	79,179,304	613.698,301
" 23.....	248,436,808	8,504,096	26,583,394	201.969,2?8	80,840.578	696,447,630
" 30...	250,884,168	7,797,218	26,706,622	204,357,272	81,882,640	568,842,490

The returns of the Philadelphia Banks have been as follows:

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
Jan. 2, 1866	$17,181,229	$45,941,001	$890,822	$7,226,369	$35,342,206
" 8	17,236,320	46,774,150	983,685	7,319,528	36,618,004
" 15	17,267,412	47,350,428	1,007,186	7,357,972	36,947,709
" 22	17,052,559	47,254,622	1,012,980	7,411,337	36,214,658
" 29	16,244,277	47,607,558	1,008,825	7,432,534	35,460,861
Feb. 5	16,481,005	47,283,661	1,000,669	7,668,865	34,681,135
" 10	16,852,737	47,349,383	996,312	7,819,599	34,464,070
" 17	16,777,175	46,981,337	953,207	7,843,002	33,926,542
" 24	17,282,602	46,865,512	1,026,408	7,732,070	33,052,252
Mar. 3	17,447,635	46,604,752	1,041,392	8,171,049	32,835,094
" 10	17,292,584	46,546,878	1,055,694	8,218,100	32,501,508
" 17	16,375,608	46,690,788	1,026,068	8,498,184	32,102,427
" 24	15,969,814	46,642,150	981,932	8,580,200	32,144,250
" 31	15,954,832	46,043,488	990,030	8,666,290	32,257,653
April 7	16,632,283	46,028,641	946,282	8,720,270	32,762,280
" 14	18,323,759	45,114,699	949,116	8,743,396	34,640,861
" 21	18,660,513	45,762,733	936,876	8,761,213	35,448,055
" 28	18,949,719	46,832,734	890,241	8,779,166	36,032,862
May 5	19,144,660	48,006,654	912,023	8,794,848	36,987,407
" 12	19,646,263	48,236,256	896,741	8,930,420	38,414,588
" 19	19,648,252	48,336,567	897,913	8,918,938	37,296,645
" 26	19,715,093	48,096,984	867,094	8,988,742	37,078,418
June 2	21,154 909	47,564,996	890,121	9,022,553	38,189,566
" 9	21,568,085	48,118,897	859,633	9,007,515	38,326,934
" 16	20,568,591	48,616,145	897,381	9,219,553	36,972,476
" 23	21,105,316	48,166,814	899,999	9,290,094	36,715,908
" 30	21,455,836	48,266,904	863,454	9,395,475	37,242,979

The returns of the Boston Banks are as follows:

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, $41,900,000.)

	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation—National.	Circulation—State.
January 1	$91,421,477	$801,415	$19,807,300	$38,451,794	$21,497,354	$1,404,721
" 8	92,245,129	1,031,327	19,914,065	41,718,182	21,806,180	1,328,793
" 15	92,959,364	1,029,105	20,438,014	40,939,870	21,946,505	1,273,943
" 22	92,665,111	1,040,114	20,750,698	40,300,639	22,034,643	1,215,675
" 29	92,877,783	1,008,013	20,544,830	39,153,816	21,899,318	1,157,848
February 5	94,573,358	805,237	20,568,185	40,436,163	22,395,428	1,125,728
" 12	94,063,827	633,591	20,412,589	38,768,019	22,348,638	1,057,223
" 19	95,250,429	508,428	20,418,909	38,494,696	22,602,531	1,033,391
" 26	93,539,000	521,292	20,262,177	36,398,481	22,887,971	1,048,022
March 5	92,990,513	556,856	20,031,968	35,581,876	22,606,835	1,006,719
" 12	90,705,159	622,938	19,905,120	35,297,498	22,730,329	721,609
" 19	91,902,811	606,992	20,470,018	36,696,321	24,018,916	910,740
" 26	91,931,236	513,153	20,913,531	35,887,868	23,019,887	901,620
April 2	92,351,979	532,556	20,761,014	36,697,227	23,087,693	869,329
" 9	92,142,975	487,455	20,334,570	37,426,560	23,266,642	880,069
" 16	91,250,883	457,648	19,902,647	37,606,696	23,685,043	777,198
" 23	86,120,897	411,693	19,309,145	36,946,182	22,469,488	744,041
" 30	86,723,001	401,118	19,549,614	38,396,210	22,856,656	744,425
May 7	90,389,569	576,170	21,415,716	41,205,276	23 516,380	719,686
" 14	90,328,554	501,013	22,462,522	42,021,976	23,551,579	695,537
" 21	89,634,864	472,172	22,973,509	41,614,149	23,195,968	661,819
" 28	91,833,402	436,391	23,658,956	41,631,746	23,722,277	644,658
June 4	92 287,648	503,991	26,148,678	42,992,749	23,679,075	609,971
" 11	89,878,993	374,966	25,470,926	42,858,966	22,916,559	480,599
" 18*	87,568,533	371,596	24,426,749	41,992,880	21,845,977	544,941
" 25	94,336,170	323,335	25,019,436	42,587,020	23,633,008	507,871

IMPORTS OF DRY GOODS FOR THE YEAR 1865-66.

We are now able to complete our tables showing the imports of foreign dry goods at this port for the month of June and for the fiscal year which has just clo ed. It will be seen that the imports the past month have been less than for any previous month since Jan. 1, except May, and yet the total is larger than for the same period of either one of the previous three years. The total value landed here since the 1st of June was $7,836,618; during the same time $7,738,309 went directly into consumption, and $3,008,974 went into warehouse. Below are the figures for the month

* For the week ending June 18 no returns were received from the Nat. Bank of Redemption.

IMPORTS OF FOREIGN DRY GOODS AT NEW YORK FOR THE MONTH OF JUNE.

ENTERED FOR CONSUMPTION.

	1863.	1864.	1865.	1866.
Manufactures of wool	$537,604	$282,521	$1,273,639	$1,788,170
do cotton	190,804	138,269	594,375	752,347
do silk	553,784	720,141	1,370 554	752,227
do flax	313,658	149,692	855,041	739,885
Miscellaneous dry goods	92,822	33,951	165,052	344,456
Total entered for consumption	$1,688,672	$1,232,474	$4,260,661	$4,377,644

WITHDRAWN FROM WAREHOUSE.

	1863.	1864.	1865.	1866.
Manufactures of wool	$325,796	$21,786	$696,181	1,626,486
do cotton	60.039	30,254	180,618	382 189
do silk	91,436	66,354	198,114	501,340
do flax	107,533	55,206	258,112	771,381
Miscellaneous dry goods	15,564	3,154	36,083	78,276
Total withd'n from warehouse	$600,418	$176,754	$1,369,108	$3,359,665
Add entered for consumption	1,688,672	1,323,474	4,260,661	4,377,644
Total thrown on the market	$2,289,090	$1,500,228	$5,629,769	$7,737,309

ENTERED FOR WAREHOUSING.

	1863.	1864	1865.	1866.
Manufactures of wool	$654,332	$1,812,200	$657,547	$1,690,995
do cotton	189,226	276,915	39,266	440,983
do silk	135,415	837,473	322,472	335,941
do flax	210,888	390,950	139,533	444,134
Miscellaneous dry goods	22,884	160,701	22,589	106,916
Total ent. for warehousing	$1,212,751	$3,478,239	$1,181,407	$3,018,974
Add ent. for consumption	1,688,672	1,323,474	4,260,661	4,377,644
Total entered at the port	$2,901,423	$4,801,703	$5,442,068	$7,396,618

We now present a table showing the total imported here during the last six months:

IMPORTS OF FOREIGN DRY GOODS AT NEW YORK FOR SIX MONTHS FROM JANUARY 1.

ENTERED FOR CONSUMPTION.

	1863.	1864.	1865.	1866.
Manufactures of wool	$8,051,673	$17,234,303	$6,[illegible]959	$16,029,707
do cotton	2,863,167	4,294,404	2,358,891	9,506,099
do silk	4,887,776	9,061,525	4,348,221	9,974,791
do flax	3,837,430	4,840,662	3,351,881	7,635,686
Miscellaneous dry goods	1,372,876	2,107,845	963,523	3,892,201
Total ent. for consumption	$21,012,423	$33,508,239	$17,075,474	$47,038,484

WITHDRAWN FROM WAREHOUSE.

	1863.	1864.	1865.	1866.
Manufactures of wool	$2,096,435	$4,255,204	$4,481,465	$8,340,111
do cotton	768,788	1,672,778	2,187,358	4,067,910
do silk	1,414,422	2,192,736	2,132,819	3,895,488
do flax	780,640	1,912,099	2,741,728	3,170,749
Miscellaneous dry goods	243,135	374,910	541,424	643,299
Total withdr'wn from wareh'e	$5,303,420	$10,407,017	$12,034,789	$20,047,552
Add entered for consumption	21,012,422	33,508,239	17,075,474	47,038,484
Total thrown on the market	$26,315,842	$43,915,256	$29,100,263	$67,076,036

ENTERED FOR WAREHOUSING.

	1863.	1864.	1865.	1866.
Manufactures of wool	$3,773,378	$6,172,685	[$3,180,286	$10,303,540
do cotton	1,816,257	1,371,514	1,170,143	3,791,850
do silk	1,695,393	2,843,148	1,148,060	2,401,061
do flax	1,743,496	2,004,937	1,724,859	3,496,335
Miscellaneous dry goods	352,784	454,496	325,894	789,448
Total entered warehouse	$9,397,138	$12,851,740	$7,548,692	$20,732,229
Add entered for consumption	21,012,422	33,508,239	17,075,474	47,038,484
Total entered at the port	$30,399,560	$46,359,979	$24,624,166	$67,760,713

From the foregoing we see that since January 1st there has been landed here, in foreign dry goods, a total value of $67,760,713, and that an equal amount has been thrown upon the market. We now give the figures for the fiscal year, which closes with June, showing the relative totals of dry goods imported at New York during the last twelve months:

IMPORTS OF FOREIGN DRY GOODS AT NEW YORK FOR THE FISCAL YEAR ENDING WITH JUNE.

ENTERED FOR CONSUMPTION.

	1862-3.	1863-4.	1864-5.	1865-6.
Manufactures of wool	$21,005,248	27,984,879	$9,758,958	$37,257,871
do cotton	5,951,521	6,685,070	3,406,868	18,907,481
do silk	10,944,736	16,355,165	6,339,872	21,938,699
do flax	7,705,165	8,399,549	5,592,095	15,906,835
Miscellaneous dry goods	2,814,713	3,879,810	1,654,812	6,909,467
Total entered for consumpt'n	$48,421,383	$63,245,473	$26,762,595	$100,613,375

WITHDRAWN FROM WAREHOUSE FOR CONSUMPTION.

	1862-3.	1863-4.	1864-5.	1865-6.
Manufactures of wool	$3,776,048	$8,080,252	$12,311,240	$14,134,742
do cotton	1,489,269	2,760,618	3,270,830	4,920,502
do silk	2,357,640	3,497,231	4,680,578	5,552,117
do flax	1,394,934	3,596,923	4,573,956	4,674,277
Miscellaneous dry goods	593,384	592,006	1,125,015	911,698
Total withdr'n from w'house	$9,551,275	$18,527,030	$25,996,619	$30,194,336
Add ent'd for consumption	48,421,383	63,245,473	26,762,595	100,613,375
Total thrown on the market	$57,972,658	$81,772,503	$52,759,214	$130,807,711

ENTERED FOR WAREHOUSING.

	1862-3.	1863-4.	1864-5.	1865-6.
Manufactures of wool	$5,648,602	$9,311,114	$11,469,214	$15,923,266
do cotton	2,523,337	2,215,381	2,861,494	6,204,498
do silk	2,467,514	4,473,808	3,470,816	5,468,133
do flax	2,807,415	3,201,273	4,260,357	6,852,026
Miscellaneous dry goods	594,736	687,917	1,029,463	1,014,347
Total entered for warehousing	$13,541,654	$19,989,493	$23,091,344	$35,462,270
Add entered for consumption	48,421,383	63,245,473	26,762,595	100,613,375
Total entered at the port	$61,963,037	$83,234,966	$49,853,939	$136,075,645

We thus have a total value for the year of $136,075,645 of foreign dry goods landed at the port of New York, being almost three times the total of last year. Had it not been for our exports of cotton since the close of the war, we can easily imagine what would have been the effect of such immense importations. It should be remembered, too, that the values given in these tables represent the foreign cost of the goods in gold, freight and duty not added. To show the excess of the imports of dry goods this year over previous years, we give the following table of totals for sixteen years:

IMPORTS OF FOREIGN DRY GOODS AT NEW YORK.

Year.	Value.	Year.	Values.	Year.	Value.
1850-51	$64,613,747	1856-57	$92,669,088	1862-63	$61,963,037
1851-52	57,221,062	1857-58	67,317,736	1863-64	83,234,966
1852-53	79,192,513	1858-59	93,549,088	1864-65	49,853,939
1853-54	92,889,627	1859-60	107,843,205	1865-66	136,075,645
1854-55	62,918,443	1860-61	83,310,345		
1855-56	85,898,690	1861-62	38,155,720		

That our readers may see the total of each description of goods imported during the year, we have classified them, giving also in the table below a comparrison with the three previous years:

IMPORTS OF DRY GOODS AT NEW YORK FOR THE YEAR ENDING WITH JUNE.

Description of Goods.	1862-3.	1863-4.	1864-5.	1865-6.
Manufactures of Wool	$26,653,850	$37,295,993	$21,238,173	$53,174,637
do cotton	8,474,908	8,900,451	6,263,362	25,111,979
do silk	13,412,250	20,829,973	9,810,688	27,406,833
do flax	10,012,580	11,640,822	9,852,452	22,458,388
Miscellaneous dry goods	3,409,449	4,567,727	2,684,265	7,923,814
Total imports	$61,963,037	$83,234,966	$49,853,939	$136,075,645

IMPORTS OF WHEAT AND FLOUR INTO GREAT BRITAIN AND AVERAGE PRICES SINCE 1854.

Below, we give a statement showing the extent of the imports into Great Britain and Ireland of wheat and flour from each principal country in each of the last five years. Prussia figures for a considerable quantity; but, on comparing the statement with the return for the four months published in this number of the MAGAZINE, page

68, it will be observed that Prussia, this year, has not been shipping on so extensive a scale as in 1864. It is necessary, however, to bear in mind that, during the first four months of the year, Prussian ports have been blocked up by ice, so that arrivals during that period afford no criterion as to the probable extent of the year's shipments. With respect to France a d Russia, it will be observed that, during the present year, their shipments have been on a considerably larger scale than in former years:

IMPORTS OF WHEAT AND FLOUR INTO THE UNITED KINGDOM IN EACH OF THE LAST FIVE YEARS.

WHEAT.

	1861.	1862.	1863.	1864.	1865.
Russia—Northern ports.....cwts.	677,127	669,730	670,688	1,307,278	844,045
" Southern ports.....	3,895,871	5,081,236	3,868,622	3,811,956	7,349,884
Denmark and the Duchies.....	988,680	629,798	555,338	1,001,585	895,482
Prussia.....	4,458,510	6,295,431	4,410,497	4,935,328	5,403,914
Hanse Towns.....	927,966	679,038	316,390	494,407	486,069
Germany (other parts).....	563,026	410,401	386,689	679,698	673,150
France.....	788,913	974,285	147,481	587,105	2,252,873
Spain.....	712,417	9	4	1,824	123,361
Wallachia and Moldavia.....	591,491	474,972	132,526	127,908	188,043
Turkish Dominions (not otherwise specified)	411,277	1,284,489	282,998	35[illegible]086	336,142
Egypt.....	1,472,514	3,239,156	2,319,590	366,868	10,063
British North America.....	2,881,275	3,732,959	2,093,997	1,295,523	306,765
United States.....	10,866,891	16,140,670	8,704,401	7,895,015	1,177,618
Other countries.....	1,299,574	1,381,297	479,960	407,188	965,654
Total.....	29,955,532	41,032,503	24,364,171	23,196,714	20,962,963

FLOUR.

	1861.	1862.	1863.	1864.	1865.
Russia—Northern ports.....cwts.	21,854	3,769	3,703	8,141	88
" Southern ports.....	134	88	.....	.....	.....
Denmark and the Duchies.....	20,357	13,563	30,069	37,786	45,646
Prussia.....	7,250	2,483	10,724	32,537	66,267
Hanse Towns.....	279,609	256,972	206,217	280,770	247,796
Germany (other parts).....	12,468	3,245	8,675	4,230	3,146
France.....	460,775	790,040	1,867,988	1,813,855	3,044,822
Spain.....	467,872	253,498	9,111	125	8,395
Wallachia and Moldavia.....	.....	8	.....	.....	.....
Turkish Dominions (not otherwise specified)	.....	121	4	.....	.....
Egypt.....	1,373	12,338	2,427	475	.....
British North America.....	605,339	1,108,591	883,352	485,099	177,353
United States.....	3,794,965	4,499,534	2,531,822	1,745,933	256,769
Other countries.....	280,842	292,908	64,925	52,420	54,188
Total.....	6,152,988	7,207,113	5,218,977	4,512,391	3,904,471

The average price of English wheat in England is now 52s., against 41s. last year. The finest Prussian wheats are worth 66s, the finest Russian 52s. to 54s., and the finest red American 54s. per quarter. The following prices of wheat for ten years are made up from official sources:

	Average price of Wheat per qr.				Average price of Flour per cwt.			
	Rus'a.	Prus'a.	Egypt.	U. S.	France.	Spain.	U. S.	E.N. Amer.
	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
1854.....	3 6 8	3 13 6	2 3 4	3 11 3	1 2 2	1 3 2	1 1 6	
1855.....	2 19 8	4 0 0	2 10 0	4 3 9	1 4 6	1 4 6	1 4 0	
1856.....	3 1 0	3 13 0	2 2 6	3 10 0	1 4 0	1 4 0	1 0 0	
1857.....	2 11 3	3 0 10	1 19 9	2 18 9	1 0 5½	1 1 0	0 17 7	0 15 1
1858.....	2 2 4	2 6 9	1 9 5	2 8 1	0 18 7½	0 18 8	0 15 1	0 14 6½
1859.....	2 2 4	2 8 8	1 11 3	2 3 10	0 14 6	0 14 2	0 14 0	0 13 9
1860.....	2 14 7	2 19 4	2 4 8	2 17 8	0 18 3	0 18 2	0 16 2	0 16 6
1861.....	3 13 9	3 0 2	1 19 9	2 15 2	0 18 8	0 18 0	0 15 5	0 15 3
1862.....	2 7 2	2 15 4	1 14 8	2 10 3	0 17 6	0 18 4	0 14 4	0 14 3
1863.....	1 19 0	2 9 9	1 13 8	2 3 9	0 15 6½	0 15 4½	0 12 7½	0 12 0½
1864.....	1 16 6	2 3 10	1 16 2	2 0 5	0 13 7½	0 13 0	0 11 10½	0 11 1½

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THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

AUGUST, 1866.

LEGISLATIVE LOBBYING.

The recent libel suit in the city of Brooklyn, which related principally to the alleged complicity of a Senator in "some of the rascalities of Albany legislation," may serve to indicate to the public the agencies employed to "accomplish legislative results." There is necessarily a vagueness in the testimony when enquiries are directed to specific measures, as a full disclosure might be attended with disagreeable contingencies. But enough of fact percolates through to enable the intelligent reader to apprehend the character of the transactions, as well as of the men concerned in them.

The evidence shows that there exists a peculiar guild, or "close corporation" at the State capital, the members of which make it their principal business to traffic in legislation. Common rumor has long ago indicated the prominent individuals thus operating together. It is no part of our purpose in this article to deal with them personally, and we shall studiously refrain from directing attention specifically to individuals. We will state simply that they are known in their collective capacity as "the Lobby," and act together in all their principal operations. They may gamble in stocks and other speculations, but that is "outside."

Every one will perceive that measures of real merit and importance, especially when they concern private business, require the personal attention of somebody to see them properly supported, moved forward in the usual course of legislation, and their passage furthered by honorable and legitimate means. Individuals who may be immediately interested sometimes remain for weeks at the capital for that purpose, and sometimes employ a person in whose sagacity and integrity they have

confidence to do that labor for them. Although such work as this is not improperly designated as "lobbying," yet every intelligent man at the State capital knows that it is not the kind which entitles the person doing it to be considered as a member of "the lobby" in the accepted sense of that designation, any more than the fact of being a bricklayer entitles the person to be regarded as belonging to the order of Free and Accepted Masons.

The Lobby employs its agents in every direction to ascertain what measures "have money in them," principally, it would seem, from the declaration of an adept, for the purpose of learning the amount to be received for defeating them, as being the most remunerative service. If the friends of such measures neglect to comply with the requirements imposed upon them, they will find every species of imaginable difficulty in their way. Particular members of a legislative committee will suggest objections; or if there are no such, there will be a man on the floor of the House making a display of conscientiousness, who will manage to delay their progress by the usual parliamentary tactics, till "reasons" shall have been produced to convince him of their unobjectionable character. It is hardly necessary to add that the expression *reasons* is a slang term, meaning a pecuniary consideration.

Of late years, it is stated that members of the Legislature have become sufficiently expert to arrange their own negotiations, so that none of these measures which formerly were taxed solely for the benefit of the Lobby are passed without contributing to the personal emolument of many of the members voting for them. Certainly, it has become common for the Lobby, after their business has been transacted or spoiled, to denounce members of the Legislature as corrupt—truthfully enough, but probably from pique or disappointment rather than because of any conscientious emotion.

In 1860 the manipulations in connection with the passage of the New York City Railroad bills produced a political rupture. The Lobby had laid down the programme, and the bills were introduced into the Assembly by obscure and unobtrusive members, apparently as "harmless as sucking doves." About this time another actor appeared on the scene. A bill was introduced into the Senate authorizing one company to lay a railroad in forty-seven streets. It was reported, printed, and passed with apparently reckless haste, to be reported against in the Assembly, and killed with every show of virtuous indignation. A singular transformation took place shortly afterward in the bills which had been incubating in the Committee of the Assembly, and they were reported and passed, the names of the granters of the monstrous Senate bill having first been divided among them. The Governor did not sign them, nor seriously oppose them. Subsequently, every member of the dominant political party who took part in the passage of the mammoth bill of the Senate was discarded from communion with his former associates. The dissensions and singular combinations of several public men of different factions which took place soon afterward were in this way the sequence of this legislation.

It is not to be supposed from these expositions that the legislation of our State is especially tarnished beyond that of others. The peccadilloes of the legislature of New Jersey have often been the theme of curious

remark, champagne suppers being said to constitute an argument which few of its representatives are capable of resisting. But the scandals are not so noteworthy as those of other and larger commonwealths. Pennsylvania is, perhaps, worse talked about than any other State. There legislation is openly declared to be matter of bargain and sale; and the election of Senators to represent that commonwealth at Washington has more than once been accomplished under circumstances indicative of shameless bribery. Whether that imputation has become less deserved during the few years past, we cannot undertake to decide. Similar criticisms have been made in regard to the Legislatures of Indiana, Illinois and Wisconsin, one or two Governors having been more or less implicated in the transactions. There is too good reason to believe, after all due allowance shall have been made for false reports and misrepresentation, that much is still true. It is morally certain that although members of legislatures may return to their constituencies at the close of a session wiser, they by no means return better men.

These imputations, however, are not confined to this country, this continent, or the present period of history. A Roman Senator, as Sallust informs us, was bribed by the Numidian King Jugurtha; and the bestowment of gifts to obtain the suffrages of the Roman people was notorious. At Athens, Themistocles was reproached by his great rival for corruption; and Philip of Macedonia, it is a well established fact, suborned the principal orators of the city. In Sparta also, where money was less prized, it was often potent enough to swerve kings from their fealty to their country. The monarchs of Persia maintained leading men among the Greeks. We read that the Apostle Paul was detained two years in prison because the procurator Felix hoped to obtain money from him for a release. Subsequent history has kept up its resemblance in this respect to the ancient. Hardly the court or country exists in the eastern hemisphere where money will not open any door, or procure any verdict. In China the *cash* is omnipotent; in Turkey *backshish* controls all from the meanest to the cadi and padisha. Once the Russian autocrat Nicholas attempted to examine and reform his civil administration, and procured reports from his subordinate officers; but on perusing them declared to the Tzarowitch: "They all steal but you and I." England herself can claim no exemption from the general misfortune. Her history is disgraced as badly by peculation as by perfidy or cruelty. Stanley, through whom Richard III., "Dickon his master was bought and sold" at Bosworth, was but a single instance of the mercenary character of noblemen as well as of the commoners of England. While the Angevine kings used to maintain the barons of Scotland, many of the men about their own court were under the pay of France. Louis XIV. obtained his advantage in making the English kings themselves his pensioners. William III. ruled as effectively by money as with arms; and subsequent monarchs have continued the practice—so commendable at least for simplifying the art if not the science of government.

The expenses of electing members of Parliament are exactly in point. For the present members, they were enumerated by Mr. Lowe, of the House of Commons, several of them as follows:—For Stafford, £5,400; for Stoke-upon-Trent, £6,200; for Sunderland, £5,000; for Westminster, £12,000. The justly celebrated John Stuart Mill represents the West

minster borough and refused to give anything but personal exertion, yet the cost to his friends was £2,300. Mr. Lowe went on:

But look to the state of our election practices when such an outburst of popular feeling could not be given effect to without that enormous sacrifice of money. I will now call attention to two or three counties. The subject has not been sufficiently dwelt upon, but it bears materially upon the question before us to-night. I will take the southern division of Derbyshire. The election cost £8 500, and this is the cheapest I shall read. The northern division of Durham cost £14,620, and the southern division £11,000. South Essex cost £10,000, and North Essex £16,000. West Kent cost £12,000, South Lancashire £17,000, South Shropshire £12,000, North Staffordshire £14,000, North Warwickshire £10,000, South Warwickshire £13,000, North Wiltshire £13 000, South Wiltshire £12,000, and the North Riding of Yorkshire £7,000. Now, I ask the House how it is possible that the institutions of this country can endure if this kind of thing is to go on and increase.

These figures leave no opportunity for others to harangue about the corruption of American politics. The employment of money to secure the popular suffrage is as old as representative government; and we apprehend that it has been the experience of old countries that the more general and liberal the suffrage the more easy has been its purchase. That a similar mercenary spirit should pervade Cabinets and Halls of legislation is no greater marvel. Human nature is pretty nearly identical in the prince and peasant, in the statesman and the "bribed elector," and its imperfections will crop out.

Moralising upon the subject is of little use; declamation about it, as we often notice in the daily newspapers, is more than idle. The root of the evil is not well understood; and, if it was, there is hardly a public journal that would dare expose it to public reprehension. The evil of corruption at elections, and of dishonesty in the lobbies of legislative bodies, is incidental to the infirmities of mankind; and, like other offenses, can only be checked in some of its outbreakings, but not eradicated till human nature itself shall have undergone renovation.

We may expect that close organizations, like political committees, lobbies and legislatures, rings in common councils, and other municipal bodies, will arise as quickly as mushrooms and with greater tenacity of life. We regret that legislation should be made mercenary, or that peculation on the bench should be suspected. We would not have the idea of official honesty treated as a very jest. But we are disposed to take a more cheerful view of the matter than the misanthropic are disposed to be. It has been the rule for many centuries, and yet the world has lasted; nations have lived out their time, and there has been general prosperity. Statesmanship appears to be little else than judicious employment of human motives in the business of governing, and he is the wisest who is best able to maintain a due equilibrium of human passions and ambitions. Still the whole world moves, and will continue to move.

We have to expect to be often deceived. Politicians are proverbially inconstant. Good legislation is often defeated if its supporters do not pay the fees of a ring and lobby. We shall denounce this whenever we detect it, and shall delight to see princes of the lobby arraigned before courts of justice. But these are only checks to the offence. Instead, therefore, of predicting all manner of calamities, and making ourselves unhappy and dyspeptic over the matter, we shall be wiser to go on with

our business, pay our "backshish" to the lobby-chief whom we meet, rejoice that it is no higher, and regard it as one of the conditions of human society to which it becomes us to submit with as good a grace as possible. It ought to be better; it is fortunate for us that it is no worse.

OUR RAILROADS.

The late war has proved to be coincident with a very remarkable development of the railroad interest of the country. The business of the roads has so far increased that, while floating debts have been extensively liquidated and the condition and capacity of the roads has been improved, yet most of the companies have assumed a steady dividend-paying position

This improvement is, to some extent, due to circumstances connected with the war, and yet not wholly. That large portion of the traffic in Western products which, before the war, took the route of the Mississippi river has since the commencement of hostilities been diverted to the railroads; nor is there now any very apparent tendency for it to return to its former channel. Traffic routes change so slowly that it is not at all improbable that the roads may retain for years what they have taken from the Mississippi; and the probability is all the greater from the fact that every year the river becomes more difficult of navigation. The derangement of values connected with the suspension of specie payments has involved a very large enhancement of the rates of freight, so that the net earnings, as represented in currency, have borne a larger ratio to the capital than they would had affairs been upon a specie basis; and the percentage of dividends has consequently ranged higher. This consideration is more important than it may appear at first sight. The capital of the roads represents a specie investment; the dividends are paid in a depreciated currency; so that to-day a six per cent. dividend is equal to a much less amount in gold. Important errors may easily arise in estimating the value of the earnings of the roads if this consideration is not kept in view.

The close of the war was attended with the stoppage of a large amount of military transportation; and the lightness of the crops of last year left an unusually small surplus of products to be moved to the seaboard for exportation; so that it has been very generally anticipated that the earnings of the roads this year would fall below those of 1865. Hitherto, however, a contrary result has appeared. The following comparison of earnings of sixteen of the principal roads for the first six months of the year will show the relation between the business of this year and last:

Railroads.	1865.	1866.		Differ'ce.
Atlantic & Great Western (5 mos)	$1,759,311	$2,148,352	Inc.	$389,041
Chicago & Alton	1,791,875	1,795,563	Inc.	4,688
Chicago & Great Eastern	482,746	609,871	Inc.	127,125
Chicago & Northwestern	3,324,388	3,629,654	Inc.	305,566
Chicago & Rock Island	1,565,900	1,390,503	Dec.	175,397
Cleveland & Pittsburgh	1,233,673	1,054,689	Dec.	178,984
Erie	7,084,009	6,739,583	Dec.	344,426
Illinois Central	3,313,036	3,086,305	Dec.	226 731
Marietta & Cincinnati	544,455	542,000	Dec.	2,455
Michigan Central	2,034,048	1,929,406	Dec.	104,642
Michigan Southern	1,531,885	1,642,955	Inc.	108,070
Milwaukee & St. Paul	827,462	994,796	Inc	167,334
Ohio & Mississippi	1,679,183	1,654,366	Dec.	24,817
Pittsburgh, Ft. Wayne & Chicago	4,244,278	3,607,895	Dec.	636,383
Toledo & Wabash	916,068	1,589,057	Inc.	672,789
Western Union	293,340	353,339	Inc.	59,999
Total	$32,613,056	$32,768,733	Inc.	$155,677

Upon the roads here compared there is an average increase of earnings for the six months of ½ per cent.; and as it may be safely presumed that the expenses of the current year range lower than those of last, it would follow that the profits of the roads for the last six months exceed those of the corresponding period of 1865.

For the purpose of ascertaining the condition of the railroad interest at large, as respects earnings, expenses and dividends, we have compiled the following details from the latest annual reports of thirty-seven of the leading roads of the Eastern, Middle and Western States:

Road.	Miles.	Cost of road.	Earnings.	Expenses.	Profits.	Div'ds
Boston & Worcester	71	$4,500,000	$1,697,164	$1,160,107	$537,057	10
Western	174	11,271,856	3,431,584	2,204,926	1,226,658	12
Hartford & N. Hav	75	2,498,319	1,459,711	1,046,183	413,528	10
N. York & N. Haven	62	5,626,592	1,982,818	1,433,879	549,884	09
Hudson River	144	14,66[illegible],857	4,132,600	2,545,207	1,587,393	08
Harlem	133	10,616,038	1,860,429	1,409,720	450,709	—
N. Y. Central	556	53,702,919	13,975,524	11,278,810	2,696,714	08
Erie	557	47,646,351	15,431,775	10,368,264	5,066,511	08
Buffalo & State Line	88	2,784,414	1,945,466	1,176,428	769,038	10
New Jersey	34	4,641,385	1,875,981	1,072,658	803,333	10
Camden & Amboy	96	8,502,296	5,799,980	4,659,192	1,140,788	25
Central of N. J	74	13,133,564	3,086,399	1,748,424	1,297,956	10
Reading	158	23,046,722	11,142,519	6,320,248	4,812,271	10
Pennsylvania	388	31,809,334	17,459,169	11,270,058	6,189,111	10
Phil., Wil. & Balt	96	9,106,547	3,884,609	2,337,805	1,546,804	10
Balt. & Ohio	287	24,945,093	6,509,945	1,965,848	4,544,097	06
Washington Branch	30	1,650,000	703,123	273,223	429,890	06
Cleve. & Pittsb'g	203¼	9,330,163	2,696,377	1,959,583	736,794	05
Cleveland & Erie	94	4,789,121	2,259,229	1,148,561	1,110,661	25
P., Ft. W. & Chicago	468	23,183,361	8,489,462	5,205,515	3,283,547	10
Clev., Col. & Cinn	191	4,750,000	2,499,348	1,264,186	1,235,162	15
Little Miami	84	4,126,278	2,432,396	1,818,645	614,641	30
Cin., Ham & Dayton	160	5,101,213	1,361,566	829,277	532,289	9
Dayton & Michigan	142	6,106,449	951,357	611,422	339,934	—
Sand., Dayton & Cin	206	4,581,895	719,924	564,024	155,900	—
Evanv. & Crawfor've	132	2,600,599	559,128	312,406	246,722	—
Terre H. & Indianap	78	1,988,150	1,248,726	650,055	598,671	12
Ohio & Mississippi	340	33,438,000	3,759,133	2,742,511	1,016,622	—
Michigan Central	285	13,805,576	4,121,218	2,406,150	1,715,068	10
Michigan Southern	534	16,555,412	4,689,445	2,749,657	1,939,788	3½
Clev. & Toledo	109	7,124,022	1,691,306	856,486	834,780	10
Tol., Wab. & West	212	10,060,918	2,050,322	1,104,830	945,492	3½
Chic. & N. Western	679	37,328,791	6,820,750	5,018,478	1,802,272	—
Chic. & Rock Island	182	8,05[illegible],182	3,154,2[illegible]8	1,711,455	1,442,781	10
Chicago & Alton	280	8,308,919	3,84[illegible],092	2,006,575	1,838,517	8½
St Louis, A. & T. H	210	10,700,000	2,240,744	1,752,186	488,558	—
Illinois Central	708	30,529,844	7,181,208	5,006,284	2,174,924	10
	8,232½	495,899,029	159,194,587	102,497,917	56,696,670	—

This statement shows the cost of these 8,232 miles of first class roads, with their appurtenances and rolling stock, to have aggregated $495,899,029, or at the average rate of $60,236 per mile. The results of the operations cannot be considered otherwise than as highly satisfactory. The total earnings of these roads is $159,194,587, or $19,337 per mile. The expenses aggregate $102,497,917, or $12,451 per mile; the proportion of expenses to gross earnings being 64.39 per cent. The profits, or net earnings, reached the large total of $56,696,670, or $6,886 per mile.

The question of chief importance to investors in this class of securities concerns the relation between the net earnings and the capital. The legal rate of 7 per cent. upon the capital invested in the roads would yield $34,712,932. The actual profits, however, amount to $11,983,738 more than that sum, and average 11.43 per cent. It is necessary, however, here again to call to mind the fact that these figures represent cur-

rency. Were the profits reduced to gold, at its present market price, so as to correspond with the character of the original investment, the ratio of net earnings to the cost of the road would be about 7½ per cent. in specie. This result is most gratifying, and betokens the really substantial value of railroad investments. A government bond yielding 6 per cent. in gold is considered a most valuable investment; but it may be questioned whether roads yielding a profit of 7½ per cent. in gold upon the capital invested will not ere long be deemed even still more desirable.

Nor would it seem reasonable to consider this prosperity as merely temporary. The roads appear to have now reached that condition of completeness of construction and adequacy of traffic which has been long anticipated as the ultimate basis of large and permanent profits. It will be observed that, of the above thirty-seven roads, only seven failed to pay dividends during last year; two paid 3½ per cent.; one, 5 per cent.; two, 6 per cent.; two, 8 per cent.; one, 8½ per cent.; three, 9 per cent.; thirteen, 10 per cent.; two, 12 per cent.; one, 15 per cent.; one. 30 per cent., and two 35 per cent. Considering that, while these liberal dividends have been made, large amounts have also been appropriated from the earnings for construction and equipments, and that the roads are now in such a condition of comparative completeness as to require lighter appropriations for these purposes than in former years, it must be allowed that the roads of the country, exclusive of those of the Southern States, are in a condition justifying the large but long deferred expectations cherished at the time of their projection.

MONEY AND BANKS.

BY J. L. TELLKAMPF, L.L.D., P.D.*

Aurum per medios ire satellites
Et perrumpere amat saxa potentius
Ictu fulmineo.

Before treating a subject which has recently been the occasion of much *party* animosity, I would remind the reader that *science* knows no parties, —that it can adopt no opinions of a party, except so far as that party has

* This essay was written several years since and was addressed to Prussian readers, but is on that account none the less interesting to us now, and we publish it, therefore, just as we have received it from the author. Professor J. L. Tellkampf is an economist of high standing, both in Europe and America. Some of our readers are, undoubtedly, acquainted with him personally It will be remembered that he was in this country about eight years, and at that period contributed many valuable articles to the pages of the MERCHANTS' MAGAZINE, occupying at the same time important positions, first in the faculty at Union College, and subsequently filling the Gibbard German Professorship in Columbia College, New York city. He left the latter place very unwillingly, but felt called upon to do so, having been selected by the Prussian Government for an important mission to France and England, and, after that, tendered the Professorship of Political Economy at the University of Breslau, which position he still occupies. For two or more terms, also, he was chosen a mem-

borrowed them from truth,—that *truth*, eternal, unchanging and complete, is its only end and aim. I request him to remember, further, that it is the province of the scientific inquirer to ascertain abstract and general principles, rather than to teach how these principles are to be applied in particular cases, and that in this way he will sometimes reach conclusions for which the country in which he writes may not yet be ripe, and which he would be the last to recommend for immediate adoption. The writer may also add, by way of caution, that he discusses questions only in their *financial* or *economical* aspects, and that many considerations of a political nature,* which the statesman would be required to weigh before deciding on measures, must in this place, for the sake of simplicity, be omitted. He approaches the subject only as an *economist* who, for the time, knows nothing of general politics, who owes allegiance to no party, who would write only as a citzen of the world, and who, far from assuming to have mastered the whole truth, is but a humble inquirer, yet ready as he proceeds to communicate to others the result of his impartial inquiries.

FUNDAMENTAL PRINCIPLES.

What is money? What is currency?

The second of these questions can be understood only by defining the first.

By *money* we mean, first, a common *measure* of values, and, secondly, a *common medium of exchange* as a real equivalent of values, as a power of purchasing;—two functions intimately connected, and yet admitting of separate examination.

Considering money as a

Measure of Value.

we have to enquire what are the essential qualities of a good measure. They are, that it be *invariable*, *easily ascertained*, and susceptible of division into parts. Money is to *value* what standard *weights* and *measures* are to *quantity*. The rights and interests of both buyer and seller, require that the standard bushel, gallon, yard, &c., should be a *fixed and known*

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ber of the Second Chamber of Deputies—House of Representatives—and was finally elected and confirmed by the King of Prussia as a member of the First Chamber, which is a life office. The First Chamber is similar to the English House of Lords. His partiality for the Government and Constitution of the United States is well known, as he has frequently in the Prussian Parliament referred to them for precedents when important measures were pending. This same feeling will be seen exhibited in the essay we publish. We state these facts, knowing that they will give pleasure to those of our readers who were formerly acquainted with Professor Tellkampf, and will serve to increase the interest of all in what he has written.—Ed Hunt's Merchants' Magazine.

* In countries where the acquisition of wealth is the prime object of the the majority of the people, money power is one of the greatest, and most difficult to guard against:

"The age of bargaining hath come,
And noble name and cultured land,
Palace and park and vassal band,
Are powerless to the notes of hand
Of Rothschilds and the Barings."

quantity, subject to no variations, easily verified, and admitting of convenient subdivisions; so money, which is considered for the present but a common standard measure of value, should possess, as far as possible, the same properties. We say as far as possible, because in the case of money, as of all values, absolute stability is unattainable. What we require, then, is that the measure of values adopted should approximate as nearly as possible to this *idea* of a perfect standard.

In modern times, both metals and paper have been adopted as a *measure* of value, and both have their advantages. The precious metals existing only in limited quantities, and not liable to sudden increase or diminution, inasmuch as they are produced with great labor and are very enduring, have much the advantage in respect of *stability*. As the commercial intercourse of the ancient world was very limited, so much the greater and more sudden were the variations in the value of gold and silver. So, now, the smaller the amount of the precious metals in a country, so much the more easily can great fluctuations in their value be produced by influx from without. The modern world has attained to a far greater degree of *stability* in the relative value of the precious metals through the universality and rapidity of commercial transactions (which produces the niveau of values), and through the now immense aggregate of gold and silver in private use or in circulation. However sudden and great the influx of precious metals from newly discovered sources now may be, their values do not suddenly sink, because the increase, in comparison to the great masses in use, is but a small percentage, and hence makes itself felt only in a long series of years. While almost all other productions of human labor are sooner or later consumed, the precious metals are preserved, often under the most curious forms, and can be, at any time, melted up and coined, and thus as coins pass at once into circulation. Hence the precious metals, in whatever form they may be, are to be considered in their aggregate, and their present amount is the aggregate production of all lands and for thousands of years. The constant increase of this aggregate by new supplies has, however, had the natural effect of causing their value slowly to decrease when compared with the common necessaries of life, with corn for instance. This decline in the value of gold and silver is so slow as to be hardly perceptible in short periods of time; hence for such periods they may be considered as affording a staple measure of value; and yet if we compare their value at intervals, say of centuries, the decline is strikingly large. Thus taking corn as our standard of comparison and extending our inquiries only to England, France and Germany, we find that the value of gold and silver, during the period between the discovery of the mines of Mexico and Peru and the beginning of the present century decreased from four to sixfold.*

If we now, with Adam Smith, consider corn as measure or standard of value, it follows that, as the medium or average price of that article has in the course of centuries risen, precisely in the same ratio or percentage the price or value of the precious metals has fallen. There is, however, a remarkable difference as to the production of corn and precious metals to be mentioned; viz.: while the most productive mines determine the

* A. v. Humboldt, Deutsche Vierteljahrsschrift von 1838, part 4, pages 15-17.

cost of production for the metals and cause the closing of those which are less productive, the least productive cornfields, whose crops are still demanded by a dense and rich population, determine the price of corn, the more productive yielding their owners a comparatively high ground-rent. Consequently in this respect the cases of the metals and corn are exactly reversed; the reason of this being the greater demand for corn as a necessary of life.

From the careful investigations which have been recently made in regard to the amount and relative value of precious metals, at different periods, we find the value of them, as circulating in commerce under the form of money, in Europe and its western colonies, to have been in the year

1492	about	250	millions of	Prussian	thalers.
1600	"	1250	"	"	"
1700	"	3250	"	"	"

The increase was then about one thousand millions of thalers during the sixteenth century, and two thousand during the seventeenth.

The introduction of the process of treating the ores of silver with quicksilver (1580) increased greatly the production of that metal, and towards the close of the sixteenth century there was consequently a rise in the prices of goods and merchandise, corresponding to the increase in the amount of money. Then followed a period of slight increase, lasting until the fall in the price of quicksilver (since 1778) when there was a rise in prices caused by the more systematic and extensive workings of the Spanish silver mines, and a corresponding increase of their productiveness. During that period of slight increase, population, industry, commerce and, of course the demand for the precious metals, had advanced almost in the same ratio, and the value of money had remained almost the same; but with the sudden increase in the productiveness of mines that value immediately fell again. The same facts are repeated in our own time as consequences of the immense discoveries of gold in California and Australia, with the additional circumstance of a great change in the relative worth of gold and silver,—a change likely to be felt still for a long time.

In round numbers the annual production of the precious metals may be estimated as follows:

For the year			1500	at	1,000,000 thalers.
"	"	"	1550	"	4,000,000 "
"	"	"	1600	"	14,000,000 "
"	"	"	1650	"	22,000,000 "
"	"	"	1700	"	29,000,000 "
"	"	"	1750	"	46,000,000 "
"	"	"	1800	"	68,000,000 "

According to Alexander von Humboldt, in the above aggregates the *amount* of silver is about forty-five times that of the gold, while the *value* of the latter is but about fourteen or fifteen times that of the former; silver being a much more useful and necessary metal, and therefore in far

greater demand. The production of the two metals as calculated for the year 1800 was about:

gold	20½	millions of thalers,
silver	47½	" "
aggregate of bo h	68	millions of thalers.

Again, according to Baron Humboldt*, the New World produced at the beginning of this century annually:

17,000	kilogrammes of gold
800,000	" of silver.

The production is estimated to have been for the years—

1842 of gold 43,000,000, of silver 49,000,000 thalers;
1848 " 58,000,000, " 50,000,000 "

Thus the production of gold was in 1848 nearly three times that of 1800; while that of silver had increased but a few millions. This inequality of production, vastly increased since the discoveries in California and Australia, as the metals pass from the mints, is felt at once in the money markets.

The annual production for the last few years is calculated (in thalers)† as follows:

	Gold.	Silver.
For the year 1849 at	91,000,000,	52 500,000.
" 1850 "	182,500 000,	53,000,000.
" 1851 "	159,500,000,	54,000,000,
" 1852 "	250 000,000,	55,000,000.
" 1853 "	266 000,000,	56,500,000.

Or as Mr. Soetheer of Hamburg estimates it:‡

	Gold.	Silver.
For the year 1848 at	47,700,000,	45,000,000.
" 1849 "	55,500,000,	46,000,000.
" 1850 "	119,900,000,	58,600,000.
" 1851 "	143 400,000,	61,600,000.

These estimates, it is true, are but approximations to the truth, but they are sufficient to prove the vast augmentation of late years in the production of gold, and the great change in the relative value of that metal and silver. This ratio, formerly 16 to 1, and in North America, since 1792, 15 to 1, was reduced by Act of Congress, July, 1853, to 14.45 to 1. In consequence of this reduction, the standard value of American silver coinage has been lowered to the amount of seven per cent This has led to the importation of a vast amount of silver in the form of French five franc pieces, which is reissued in the form of American coins, giving the government, after deducting all the costs of transportation, insurance and

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* Essai Politique sur le Royaume de la Nouvelle Espagne. T. IV. page 218.

† Andre Cochut in the Revue des deux Mondes,—"On the Gold mines of Australia." Deutsche Vierteljahrsschrift. 1856. Nr 74, page 151. Minerva July, 1854. Vid. also J. D Whitnes. Ir. "On the Mineral Resources of the United States, &c."

‡ Die Banken, by Otto Hubner. Page 47.

coinage, a clear profit of 4 per cent. This exportation of silver from France has already so reduced the supply of five franc pieces in silver as to bring into circulation a new gold coin of the same value in which the value of the gold is fixed at 15½ times that of silver. The Bank of France makes its payments mostly in gold, and so gradually this metal has become the measure of value in France, as heretofore in England and the United States of America. Compared with this standard, the prices of the necessaries and luxuries of life are found to be rising slowly, as the amount of gold coins in circulation increases.

There is no certainty that the present ratio of gold to silver will long continue, especially if the rich productiveness of the gold mines of California and Australia does not fall off.

Even now, the payment in gold of debts formerly incurred in francs or dollars, that is under the old standard of silver, is a source of gain to the debtor—and of consequent loss to the creditor—of from 3 to 4 per centum; a change of value likely to increase.

All, consequently, are losers who made investments of their property before the recent influx of gold; for instance, capitalists interested in English life insurance companies or such as formerly invested in France and North America, making their payments according to the standard of the silver, and now receiving their returns according to that of the gold dollar. Such only as may by chance obtain their returns in silver can escape this loss. But silver, no more than gold, can retain its old value when measured by the standard of other articles.

Finally we must note the fact that the great mass of paper money, in the form of bank notes and so forth, tends to depress the value of the precious metals, by circulating in their stead,—by being used in payments, where else the metals would of necessity be used,—and thus consequently lessening the demand for them.

It follows from this course of reasoning that there must ever be some fluctuations in the value of the precious metals. Their market values depend, like those of all other articles, upon the ratio between the demand and supply. Where they exist in quantities greater than is immediately needed either for currency or manufacturing purposes, they must decline in price, but as this decline causes them to be transferred almost immediately to other places where they are in greater demand, the depression is slight. The principal fluctuation is one which affects the whole world and results in part from the relative quantities mined in different periods and centuries,—in part from the variations in commerce and industry leading to a corresponding variation in the amounts needed for purposes of trade,—and in part from the different proportion of those metals which is worked up in the useful and ornamental arts. Thus the prices of gold and silver have gradually declined since the discovery of the American mines;* within a few years they had, on the other hand, increased on the continent of Europe, in consequence of the wear and tear, and the greater

* See A. Von Humboldt, Essai politique sur le Royaume de la Nouvelle Espagne. T. IV. page 218, and A. Von Humboldt, 'Ueber die Schwankungen der Goldproduction, mit Rucksicht auf staatswirthschaftliche Probleme." (In the Deutsche Vierteljahrs-Schrift of 1838, part 4, pages 15-17.)

demand for plate, jewelry, &c.; while, at the present time, their prices have slightly again declined since the discovery of the gold mines in Californdia and Australia. It will be seen, then, that the precious metals are by no means an invariable standard of value. Yet their natural scarcity, and the small increase in comparison with the existing amount of gold and silver, and the great amount of labor which has to be expended in their production, renders all fluctuations in their value extremely slow and gradual and thus fits them pre-eminently for a *measure.* Governments have by *coining* provided an accurate designation of their value as well as convenient subdivisions.

A bill of exchange or a check has, in case of large values, this advantage over metal and bank-notes, that it is much more safe. A single *check* or *draft* is sufficient to exchange any value, however large, and, when being payable only to order, it can be carried any distance, or be transmitted by mail, or even be lost, and yet the owner suffers no injury; but it has the inconvenience that he who pays and endorses it is responsible for its value.

Bank-notes, on the other hand, are liable to such sudden and great fluctuation, according as those who emit them find it for their interest to expand or contract their issues, that the public have no safety except in such paper as is based on an equal value of the metals. In such case they are but a substitute for them, and convertible into them at pleasure. Such vast evils have resulted in America from irredeemable paper money that American *laws have made specie or metallic coins the only lawful tender in payment of debts.* The importance of this will be more fully seen when we come to consider money in regard to its second function as

A Medium of Exchange.

It is evident that there can be no division of employments, and of course no high civilization, unless men can exchange with each other the surplus products of their labor. It is also evident that *barter* is a very inconvenient mode of exchange, since it by no means follows that we always want the surplus produce of him who may want our surplus produce. Hence in every civilized country the need of something which can be exchanged at pleasure for any and every purchaseable object; a general medium through which each producer may deal with any other producer, near or remote; a sort of universal language which, by establishing a ready communication between all classes of employments, shall incite each to new activity and a larger production of exchangeable value. No nation can subsist without such a medium—even the Krees Indians, according to Capt. Franklin, use beaver skins as their medium—and in proportion as a nation advances in industry and civilization, in the same proportion will it seek a more perfect instrument of exchange, because with each step of its progress it feels more and more the importance of facility of exchange.

Now why is it that all nations, whether ancient or modern, have, as they have risen to the civilized state, invariably adopted as their medium the precious metals? Was it done by a general agreement, or by ascribing to these metals an imaginary worth? No; but from the conviction that they possessed a real value: the result of labor, usefulness, and scarcity, and which made them proper equivalents of the objects for which they were exchanged. Let it not be supposed, because an exchanging

medium is indispensable, and because things of no intrinsic value, such as pieces of paper, would serve as well as metal to represent the properties exchanged, that therefore the former may be substituted for the latter. Wherever this has been attempted, as in the assignats of France and the continental paper money of America, experience has shown that the currency depreciates and at last becomes almost worthless. The reason is plain. The farmer or mechanic who parts with his articles for *money* which he may have to retain in his possession for some days or weeks, needs assurance that his money has an intrinsic or unchanging value. This assurance he cannot have unless the substance itself have such value, or is certainly and easily convertible into one which has. Hence the use of grain, oxen, &c., as an exchanging medium, has been found objectionable on account of the difficulty of verifying their quality as well as quantity, and yet more on account of the fluctuations in value to weich they are always liable. In the case of a medium having neither intrinsic value nor convertibility, the holder will always insist upon a premium for the risk which he incurs in taking it; this risk must increase as the bill is older, and thus there will be a decline in its value.*

We have insisted, above, upon the great necessity of employing as a *measure* money which does not vary greatly in value. This is not less important when we consider money as an *exchanging medium.* It is by means of exchanges that those who are employed in production distribute among themselves their respective shares of the produced value; but this cannot be done on just and equal terms if we use a medium which has varied materially in value between the time that a contract was made and that in which it is to be fulfilled. If a man who contracts to pay or receive £100 six months hence is uncertain whether that sum may not increase or diminish in value by one fourth or one-tenth before this period elapses, all business becomes unsafe, and will either be avoided or be prosecuted in the spirit of gambling. When engagements are made for a still longer period, as in the purchase of real estate, the evils are still greater. Nor are they confined to men in active life; men retired from business, widows, orphans, &c., who live on the income of their estates, even incumbents of office who live on fixed salaries, and salaries which, with the saving spirit characteristic of most governments, will be even in times of common prices only sufficient for a decent subsistence, all these may, by a sudden and artificial inflation of the currency and of prices, be reduced to comparative indigence. Hence we see the importance of infusing a large proportion of coin into the exchanging medium or currency employed by any people.

On this point, however, let us beware of two errors. The one is that all exchanges can under any circumstances be made by means of gold and silver exclusively. Where very large sums are in question, such as are daily needed in the great bargains made on the exchange, bills and checks have long been substituted for the cumbrous loads of coin which could be counted and transferred only by the agency of a vast multitude of hands and with much loss of time. Here promises to pay or checks come in as

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* Checks and bills of London have often a premium value, because of their convenience as a medium. Capability of being used as a *medium* will *add* to the value of a thing.

a labor-saving machine, and to advocate their discontinuance would be as unwise as to recommend the substitution of the old-fashioned spinning-wheel and hand-loom in place of the self-acting mule which enables one woman to do the work of eight hundred. Even in what are called hard money countries only a small proportion of exchanges,—such as those for necessaries of life, wages, &c.,—are made by means of coin.

On the other hand, we are not to infer, because the precious metals have hitherto formed so small a share of the whole circulating medium of some countries, that therefore specie would be entirely inadequate for the purpose. Were all engagements now pending cancelled or discharged, and had not the habits of some people become adjusted through a long course of years to an expanded currency,—in other words, were all the operations of business about to commence anew and were gold and silver to form our only medium of exchange, it is evident that prices would at once adjust themselves to the quantity of coin. The price of an article, which is but another name for its value estimated in the current medium of exchange, may as well be expressed by *one* as *five*. If *one* dollar of an unmixed specie currency will command as many necessaries and luxuries as could have been commanded by *five* dollars of a mixed medium, it is evident that in itself it is just as useful. It is incorrect, therefore, to say as is often done, that there is not enough metallic money on earth to measure and exchange the values which are employed in trade. The only effect of employing such a medium exclusively would be to advance its value greatly and thus enable a given amount of it to effect a much greater number of exchanges. It should also be remembered that in any case but a part of the exchanges over the world *are* consummated by means of money of any kind. The surplus produce of different countries is exchanged by means of bills which circulate over the whole globe and supersede the use of gold and silver, except so far as inconsiderable balances may remain, while in the internal exchanges of every country, the use of money in the form of coin is to a great extent superseded by bills, drafts and checks.*

Let me add here that in the term exchanging or circulating medium we do not include the bills, drafts, &c., above-mentioned. Only such paper as has been issued with the sanction of government, and purports to be payable in specie on demand, fulfils the definition of money,—such are bank-notes.

We are now prepared to consider the proper function of bank-notes and paper money, which are but one branch of the great system of credit which distinguishes and, as implying mutual fidelity and honor, signalizes modern industry and commerce.

PAPER MONEY AND BANK-NOTES.

What is paper money? What are its uses, and what the evils to which it is liable?

Paper money is a promise given by authority of the government to pay a certain sum in metallic money, that thus all debts may be legally paid by means of it. Its value, therefore, depends upon its *convertibility*, i.e

* See "The System of the London Bankers' Clearances," by W. Tate.

upon the power which the holder has of replacing it at pleasure by an equal amount of gold or silver. Without this it would not be taken with confidence, and could not, therefore, long maintain its par value. It is evident that this money may be issued by the government, by incorporated companies, or by individuals. Government paper issued as the ordinary currency and without great caution usually proves to be a bubble. There has rarely been an instance in which it has been redeemed punctually and to its full nominal amount. Witness the issues of this sort made by the American Colonies before the War of Independence. The continental money put forth during that war, the assignats of France issued during the Revolution, and the currency of Russia and Austria almost always depreciated.

In former times governments defrauded their people, or taxed them in disguise by debasing the current coin. In modern times the same object is often effected by an issue of government paper. If it be asked why the government may not pledge a certain amount of capital for the redemption of its paper and keep its pledge, there are two answers: 1st. The duty of payment frequently devolves upon an administration different from that which contracted the obligation, and in that case there is but a feeble sense of responsibility. This is especially the case under a government where economy is popular, taxation unpopular, and where the incumbent of office and, perhaps, a candidate prefers tarnishing the public credit to the right and honorable but unpopular alternative of imposing a tax. 2d. Another reason is, that this capital thus pledged must be managed, and a vast deal of skill and economy is requisite in managing a redeemable paper currency; and, of all managers, the agents of a government are the least thrifty and economical. Moreover, the government is very apt to ruin the credit of its own paper by excessive issues in times of emergency, and when the loss of credit is most disastrous. We conclude, therefore, that a government ought not to trust itself to be a banker or to issue paper money.

Is money the only *medium* of exchange? Only for the smaller exchanges.

Why is it required for such? Because, being made by those not in business, they require a medium which will command universal confidence.

What is such a medium? Gold and silver or their representatives, i.e paper convertible at sight.

Why use the representative (the bank-notes)? Because, 1st, it is convenient,—2d, saves interest on the coin which it replaces; this is the case with all paper.

What dangers are to be guarded against? 1st, excessive issues or loans. 2d, sudden contractions or expansions. 3d, insecurity.

(To be continued.)

TRADE WITH BRITISH AMERICA.

PREPARED BY MR. JAMES W. TAYLOR, SPECIAL AGENT OF THE TREASURY DEPARTMENT.

The records of the Treasury Department for the year ending June 30, 1865, show that our trade with British America is only second in magnitude to that with Great Britain. Its aggregate was $69,150,613, while

the commerce with Great Britain was $225,709,263. The external trade of the United States for 1865 consisted of $339,768,220 exports and $234,434,167 imports—an aggregate of $574,202,387. The statement in detail is as follows:

Statement in detail.

Countries.	Exports to.	Imports from.	Total.
England, Ireland, and Scotland	$140,376,771	$85,332,492	$225,709,263
British North America	31,842 145	37,308.468	69,150,613
Spanish West Indies	23,969,455	34,258,367	58,227,822
Hamburgh	9,590,464	4,199,111	13,789,575
Bremen	13,900.970	5,368,408	19,269,378
France	15,474,193	5,688,662	22,162,855
Mexico	18,205,906	7,358,521	25,564,427
Brazil	6,629,182	9,849,359	16,478,541
China	7,105,435	5,130,643	12,236,078
All other countries	72,673,689	38,940,146	111,613,835
Total	339,768,220	234,434,167	574,202,387

Another statement furnished by the Register of the Treasury Department shows that the tonnage of vessels clearing from American ports during the year ending June 30, 1865, for ports of British America was 3,537,752 tons, and the entrances from British America were 3,193,193 tons—the total of 6,730,945 tons; exceeding the tonnage of vessels employed in trade with any other country. This detailed statement is also annexed:

Countries.	Vessels cleared for. *Tons.*	Vessels entered from. *Tons.*	Total. *Tons.*
Canada	2,497,045	2,332,886	4,829,931
British Provinces, east	903,023	746,682	1,649,705
British Columbia	137,684	113,625	251,309
	3,537,752	3,193,193	6,730,945
England, Ireland and Scotland	869,759	965,181	1,834,940
Spanish West Indies	554,170	624,813	1,178,983
New Granada	216,628	205,124	421,752
British West Indies	135,639	129,430	265,069
France	75,912	68,954	144,866
China	75,477	39,644	115,121
Other countries	1,154,920	934,289	2,089,209
Total	6,620,257	6,160,628	12,780,885

Of the clearances for British America, 1,750,548 tons were of American vessels, and 1,787,204 tons were of Canadian and other foreign vessels. Of the entrances from British America, 1,689,829 tons were American, and 1,503,364 were Canadian and other foreign.

Before proceeding to a separate statement of Canadian trade for the years 1854 and 1864–'65, a general review of the commerce of the United States with the British Provinces of North America from the 1st day of July, 1851, to the 30th day of June, 1865, is presented. This period will represent the condition of the trade for three years prior to the late reciprocity treaty, one year passed in exchanging the legislation required by the treaty, (1865,) and ten years of its practical operation. The statement is prepared in the Register's office of the Treasury Department; and while

the values of imports are returned in gold, no such practice exists in regard to statements of exports, and, in all probability, during the years 1863, 1864, and 1865 the currency values of most of the exchanges, especially of articles admitted free of duty, have been adopted in the statistical returns. The annexed table until 1861 was a customary appendix of the finance report, and is now brought down to the close of the last fiscal year for the purpose of exhibiting the progress and volume of trade with the provinces.

Statement exhibiting exports to and imports from Canada and other British possessions in North America, from July 1, 1851, to June 30, 1865.

Year ending June 30.	EXPORTS.			Imports.	Total trade.
	Foreign.	Domestic.	Total.		
1852.....	$3,853,919	$6,655,097	$10,509,016	$6,110,299	$16,619,315
1853.....	5,736,555	7,404,087	13,140,642	7,550,718	20,691,360
1854.....	9,362,716	15,204,144	24,566,860	8,927,560	33,494,420
1855.....	11,999,378	15,806,642	27,806,020	15,136,734	42,942,754
1856.....	6,314,652	22,714,697	29,029,340	21,310,421	50,339,761
1857.....	4,326,369	19,936,113	24,262,482	22,124,296	46,386,778
1858.....	4,012,768	19,638,959	23,651,727	15,806,519	39,458,246
1859.....	6,384,547	21,769,627	28,154,174	19,727,551	47,881,725
1860.....	4,038,899	18,667,429	22,706,328	23,851,381	46,557,709
1861.....	3,861,898	18,883,715	22,745,613	23,062,933	45,808,546
1862.....	2,061,432	18,652,012	20,713,444	19,299,995	40,013,439
1863.....	2,651,920	28,629,110	31,281,030	24,021,264	55,302,294
1864.....	2,419,926	26,567,221	28,987,147	38,922,015	67,909,162
1865.....	1,809,862	30,032,283	31,842,145	37,308,468	69,150,613

Most of this trade was with Canada and the maritime provinces of Nova Scotia, New Brunswick, Prince Edward's Island, and Newfoundland. Recently, however, a considerable commerce has been developed between Minnesota and the territory of the Hudson Bay Company, and between the Pacific States and the English colonies of British Columbia and Vancouver's island. The trade with the Pacific provinces during 1864–65 consisted of $1,349,463 exports and $1,131,491 imports, amounting to $2,480,954, which the Minnesota trade with Central British America will increase to $3,000,000 annually. It will be safe to deduct this amount annually since 1860 from the aggregates of the foregoing table, on account of the western provinces; while from 1852 to 1860 the average commerce with British America west did not probably exceed $500,000 annually.

THE CANADIAN TRADE.

As the House resolution calls for a separate statement of the trade of the United States with Canada, the following table has been prepared to express the aggregates of exports and imports from 1852 to 1865. Until 1864 the Canadian fiscal year was identical with the calendar year, while the accounts at the treasury of the United States close on 30th June.

Statement exhibiting exports to and imports from Canada, from July 1, 1851, to June 30, 1865. (From American reports.)

Year ending June 30.	EXPORTS.			Imports.	Total trade.
	Foreign.	Domestic.	Total.		
1852.....	$2,712,097	$4,004,963	$6,717,060	$4,589,969	$11,307,029
1853.....	3,823,587	4,005,512	7,829,099	5,278,116	13,107,215
1854.....	6,790,333	10,510,373	17,300,706	6,721,539	24,022,245

1855.....	8,769,580	9,950,764	18,720,344	12,182,314	30,902,658
1856.....	5,688,453	15,194,788	20,883,241	17,488,197	38,371,438
1857.....	3,550,187	13,024,708	16,574,865	13,291,834	34,866,729
1858.....	3,365,789	13,668,465	17,029,254	11,581,571	28,610,825
1859.....	5,501,125	13,439,667	18,940,792	14,208,717	33,149,509
1860.....	2,918,524	11,164,590	14,083,114	18,861,673	32,944,787
1861.....	3,740,049	11,749,981	15,490,030	16,645,457	34,135,487
1862.....	1,560,397	11,282,107	12,842,504	15,253,152	28,095,636
1863.....	1,468,113	18,430,605	19,898,718	18,813,840	38,712,558
1864.....	1,301,563	15,356,866	16,858,429	30,974,118	47 832,547
1865.....	905,968	18,306,499	19,212,467	30,547,267	49,759,734

A statement compiled from Canadian records, commencing with a half year of 1851, to make the period identical with that covered by the foregoing table, is also annexed.

Statement showing the whole trade in imports and exports between Canada and the United States during fourteen years.

Years.	Imports from the U. S. into Canada.	Exports from Canada to the United States.	Total trade.
1851, (half year).....	$4,162,882	$2,035,775	$6,218,654
1852.....	8,477,693	6,284,520	14,762,213
1853.....	11,782,144	8,936,380	20,718,524
1854.....	15,533,096	8,649,000	24,182,096
1855.....	20,528,676	16.737,276	37,565,952
1856.....	22,704,508	17,979,752	40,684,260
1857.....	20,224,648	13,206,436	33,431,084
1858.....	15,635,565	11,930,094	27,565,659
1859.....	17.592,916	13,922,314	31,515,230
1860.....	17,273,157	18,427,968	35,700,997
1861.....	21,069,388	14,386,427	35,455,815
1862.....	25,173,157	15,063,730	40,236,887
1863.....	23,109,362	20,050,432	43,139,794
1864, (half year).....	10,426,572	7,722,397	18,148,769
1864-'65.....	19,589,055	22,939,691	42,528,746

In addition to the annual statements of exports and imports, representing the trade between the United States and Canada, the following table has been prepared from Canadian reports. It is a statement of American and Canadian tonnage, inward and outward, to and from Canadian ports, exclusive of ferriage, between United States and Canada.

Statement of American and Canadian tonnage, outward and inward, to and from Canadian ports, exclusive of ferriage, between the United States and Canada.

	AMERICAN		CANADIAN	
	In.	Out.	In.	Out.
1854.....	1,284,523	1,246,051	2,279,529	1,519,518
1859.....	2,409,168	2,273,226	1,222,454	1,181,482
1861.....	1,629,153	1,468,034	1,412,076	1,343,262
1862.....	2,306,883	2,161,347	1,793,303	1,790,824
1863.....	1,857,974	1,739,569	1,680,727	1,628,863
1864, (half year).....	780,199	753,688	795,837	769,710
1864-'65.....	2,119,125	2,070,028	2,080,771	1,995,712

The years designated in the resolution, 1854 and 1864-'65, are not favorable for a comparative statement of the Canadian trade. The year first named witnessed an unusual excitement of markets, which resulted from the application of a large amount of English capital to the construc-

tion of the Great Western and Grand Trunk railroads; the total imports of Canada in 1854 reaching $40,528,324, while the exports were only $28,019,188. The purchases of contractors were largely made in the United States, swelling our exports to Canada from $7,829,099 in 1853 to $17,300,706 in 1854. These disbursements on account of railway construction, and the speculative spirit excited by them, concurred with the first operation of the reciprocity treaty, to increase our exports beyond the imports from Canada during 1855 and 1856; then followed the revulsion of 1857, which bore heavily upon Canadian trade, while since 1860 and during the late war, our great domestic exigencies have not only prevented foreign and manufactured goods from leaving the country, but have materially added to the American demand for Canadian products. The American reports show a movement from Canada to the United States, since July 1, 1863, exceeding that from United States to Canada by nearly $25,000,000 a balance which has probably been invested in United States bonds, of which $50,000,000 are estimated to be held in Canada. It will thus be seen that the battle-year of 1864-'60, when all our energies and supplies, with whatever could be drawn from our neighbors, were absorbed by great military campaigns, is even more unfavorable than 1834 to represent a normal condition of commerce. They were probably indicated, because the earlier date marks a course of trade prior to the reciprocity treaty, and the fiscal year closing June 40, 1865, was the last annual statement which was accessible at the date of the resolution. With these explanations the following tables are presented:

Comparative statement of exports, in values, from Canada to the United States, for the years ending December 31, 1854, *and June* 30, 1865. (*From Canadian records.*)

THE MINE.

Articles.	1854.	1864-'65	Articles.	1854.	1864-'65
Copper	.....	$1,511	Stone	.....	10,052
Copper ore	87,148	51,746	Mineral (or earth) oil	81,480	7,356
Iron ore	.....	27,222			
Pig and scrap iron	159,582	40,762	Total produce of mine	278,260	169,649

THE FISHERIES.

Articles.	1854.	1864-'65	Articles.	1854.	1864-'65
Dried and smoked	146	310	Furs or skins the produce of fish or creatures living in the sea	.....	7,452
Pickled	72,988	58,027			
Fresh	11,297	28,468			
Oil	1,041	.....			
			Total produce of fish'ries	85,472	89,257

ANIMALS AND THEIR PRODUCE.

Horses	$202,416	$1,812,384	Furs, dressed	$53,464	$3,234
Horned cattle	174,016	1,781,995	Furs, undressed		60,518
Swine	7,117	613,938	Hides	21,909	127,483
Sheep	26,041	253,044	Horns and hoofs	1,568	2,550
Poultry	4,409	17,509	Honey	.....	21
Produce of animals:			Lard	1,835	20,999
Bacon and hams	160	44,433	Pork	27,752	426,461
Beef	5,858	13,996	Sheep's pelts	.....	77,574
Beeswax	5	311	Tallow	861	657
Bones	235	1,593	Tongues	.....	.....
Butter	117,040	340,599	Venison	.....	801
Cheese	560	5,277	Wool	30,243	1,351,722
Eggs	22,925	95,660			
Feathers	12	45	Total animals and their products	697,926	7,053,079

THE FOREST.

Articles.	1864.	1864-'65	Articles.	1864.	1864-'65
Ashes—Pot	$91,434	227,102	Scantling	$34,448	$14,825
Pearl	16,924	23,105	Deals	6,916	499
Timber—			Deal ends	.....	.....
Ash	.....	3,038	Plank and boards	1,579,820	3,292,451
Birch	149	425	Spars	20,517	1,910
Elm	262	3,753	Masts	100	1,140
Maple	.....	29	Handspikes	.....	.....
Oak	24,520	171,380	Lath and lathwood	12,885	15,834
White pine	96,730	225,864	Firewood	46,202	364,249
Red pine	4,564	1,048	Shingles	20,641	44,010
Tamarac	.....	28,470	Saw logs	58,489	147,721
Walnut	9,482	5,281	Sleepers	1,172	.....
Basswood, butternut, and hickory	6,193	17,423	Treenails	.....	.....
Standard staves	1,525	75,573	Railroad ties	18,809	26,912
Other staves	3,761	80,544	Oars	.....	.....
Knees	795	13,060	Other woods	26,226	223,100
Battens	.....	.....	Total prod. of forest	2,083 544	5,008,746

AGRICULTURAL PRODUCTS.

Balsam	$440	$2,886	Indian corn	$13,496	$59,329
Barley and rye	94,185	2,879,870	Malt	75	1,000
Barley, pot and pearl	.....	.....	Maple sugar	468	474
Beans	569	63,534	Meal	4,568	85,467
Bran	5,045	88,089	Oats	16,506	1,561,088
Flax	.....	37,435	Other seeds	54,384	37,047
Flax-seeds	448	13,796	Peas	58,604	198,971
Flour	3,370,319	1,916,255	Tobacco	.....	29,702
Fruit, green	2,792	6,231	Vegetables	8,232	11,615
Hay	80	4,258	Wheat	1,670,632	1,227,363
Hemp	.....	.....			
Hops	33,481	22,625	Total agricult'l prod.	5,329,324	8,246,987

MANUFACTURES.

Books	.....	$2,019	Rags	9,772	64,524
Biscuit	$450	.....	Soap	.....	212
Candles	.....	.....	Straw	12,464	2,675
Carriages	.....	31,122	Sugar boxes	.....	56,422
Cottons	952	1,770	Tobacco	.....	66,957
Furs	.....	100	Wool	65,610	37,645
Glass	36	608	Woolens	246	8,494
Ground plaster and lime	8,048	2,806	Liquors:		
Hardware	13,938	115,079	Ale, beer, cider	1,187	699
Indian bark work	15,546	.....	Whisky	4,988	5,250
India-rubber	100	21	Other spirits	4,736	10,473
Leather	2,108	22,608	Vinegar	434	18
Linen	.....	2,915	Total manufactures	141,145	469,172
Machinery	.....	31,501			
Musical instruments	.....	4,122	Coin and bullion	.....	1,599,341
Oil cake	530	864	Other articles	33,331	504,460

RECAPITULATION.

	1864.	1864-'65.		1864.	1864-'65.
Prod. of the mine	$278,260	$168,649	Manufactures	$141,145	$469,172
Prod. of the fisheries	85,472	89,957	Coin and bullion	.....	1,599,341
Prod. of the forest	2,083,544	5,008,746	Other articles	33,331	504,460
Animals and their products	697,926	7,053,079		8,649,600	22,939,691
Agricultural prod'ts	5,329,324	8,246,987			

Comparative statement of values of leading articles imported into Canada from the United States for the years ending December 31, 1854, *and June* 30, 1865. (*From Canadian records.*)

Articles.	1854.	1864-'65.	Articles.	1854.	1864-'65.
Coffee	$151,336	$70,382	Iron (including railroad bars)	$488,344	$70,469
Cigars	47,284	8,056	Printing presses, &c	66,380	21,367
Tobacco and snuff	422,196	15,161	Tallow	304,636	75,381
Tea	1,335,464	177,787	Books	348,884	219,772
Sugar and conf'nary	489,752	781,720	Indian corn	710,940	781,288
Spirits, wine, and cordials	391,916	5,227	Salt	172,364	195,598
Molasses	182,212	273,335	Seeds	98,384	102,146
Fruit, dried & green	120,120	460,077	Settlers' goods	298,500	507,650
Fish, fresh and salted	74,848	202,626	Trees and shrubs	53,544	65,015
Lumber or planks	62,812	167	Wheat	138,912	2,879,625
Clocks and watches	86,840	19,654	Cabinetware or furniture	.....	39,368
Cotton manufactures	684,588	89,068	Carriages	.....	46,053
Drugs & medicines	225,636	37,681	Machinery not otherwise specified	550,856	128,062
Fancy goods and millinery	116,368	71,489	Small wares	71,944	100,405
Glassware	103,504	113,983	Horses	57,352	115,334
Hats and caps	212,509	94,319	Horned cattle	10,340	77,846
India rubber	81,916	14,049	Bark for dyeing, &c.	2,372	58,966
Iron and hardware	1,353,408	452,489	Broom corn	15,924	43,699
Leather, manufactured and other	799,728	75,562	Butter	1,092	47,512
Musical instruments	131,208	122,319	Cheese	33,404	306,618
Oil	185,764	32,999	Cotton-wool	24,920	88,786
Paper	87,680	9,259	Flour	17,540	690,124
Silk	116,892	13,085	Barley and rye	1,960	79,017
Straw goods	82,900	....	Oats	11,164	107,738
Wool, manufactured	379,652	63,936	Lard	35,520	86,408
Woolens	579,740	115,906	Stones, unwrought	8,428	49,258
Mess pork*	510,504	876,968	Timber and lumber, unmanufactured	2,176	139,654
Rice	46,392	6,106	Tobacco, unmanuf'd	67,108	277,007
Coals	220,380	544,511	Wool	.....	174,070
Cordage	76,748	14,467	Other articles	2,109,688	1,590,345
Cotton yarn & warp	72,636	17,205	Coin and bullion	.....	4,768,478
Flax, hemp, and tow	104,940	120,897			
Hides	253,068	535,351			
Total				15,533,097	19,589,055

The Canadian returns have been chosen as the basis of the foregoing statements, since the officers of the Canadian customs are understood to estimate values exclusively in gold.

Of the total trade in 1854, amounting to $69,303,312, a valuation of $24,182,096, or 34 per cent., was with the United States. In 1864–'65 the aggregate was $86,801,620, of which $42,528,746, or 48 per cent., was with the United States.

The articles exclusively exported from Canada to the United States were, in 1854, pig and scrap iron, fresh fish, scantling, railroad ties, horses horned cattle, swine, sheep, poultry, hides, eggs, hops, malt, hay, flaxseed, manufactures of India rubber, straw hats, and Indian bark work; but in 1864–'65 the list was greatly reduced, consisting of pig and scrap iron, firewood, railroad ties, saw-logs, sheep pelts, venison balsam, cotton manu-

*The later reports only mention "meats, fresh, smoked, and salt," amounting to $876,968 in 1864-'65.

factures, ground plaster, and sugar boxes. The values of these articles will be found in the first of the foregoing tables.

In a review of the comparative statement of Canadian exports, we first notice that the products of the mine and sea were nearly the same in 1854 as in 1865, while the lumber trade has advanced from $2,083,544 to $5,008,746, a large increase, but not more than the constant and increasing demand of American markets would have caused in any event. Since the abrogation of the reciprocity treaty, American purchasers are paying higher rates for Canadian timber, and in larger quantities than in 1865, notwithstanding the necessity of paying a duty of 20 per cent. on the frontier of the United States.

It is in the division of "animals and produce" that the most remarkable contrast appears between the trade of 1865 and ten years ago. Then the valuation of this class of exports was only $697,926; now it is $7,053,079. The supply of Canadian horses during the war was as follows:

	Number.	Value.		Number.	Value.
1861	8,198	667,315	1864 (half year)	6,418	503,687
1862	8,606	664,795	1864-'65	23,106	1,812,334
1863	19,335	1,465,540			

The exportation of cattle and swine was no less remarkable—15,704 cattle, valued at $384,599 in 1861, and 59,566, valued at $1,781,965 in 1864–'65, while of swine the export to the United States in 1861 was 27,091, valued at $161,279, and in 1864–'65, 46,305, valued at $613,993 The movement of wool and sheep, having, perhaps, less connection with the commissary of an army, is still worthy of observation from the relation to manufacturing industry. The exportation of sheep to the United States was as follows:

	Number.	Value.		Number.	Value.
1861	54,941	149,220	1864 (half year	10,316	48,326
1862	88,141	217,724	1864-'65	69,931	253,044
1863	72,208	198,651			

The exchanges of wool during the same period in value were:

	To Canada.	To U.States		To Canada.	To U.States
1861	197,895	424,930	1864. (half year)	118,320	892,373
1862	333,570	724,815	1864-'65	174,071	1,353,168
1863	208,858	974,153			
Total				1,032,714	3,869,439

It appears from the Canadian trade returns that during the half year closing December 31, 1865, 15,000 horses, 103,810 horned cattle, (swine not stated in the newspaper report at hand,) and 158,000 sheep were exported to the United States; the total value of this class of exports being $7,923,355. A Canadian newspaper, the Globe of Toronto, adds that "the cattle are wanted not only for beef, but for the manufacture of butter and cheese, now fast becoming leading articles of export to England."

At the annual meeting of wool manufacturers held at Philadelphia, September 6, 1865, Mr. J. L. Hayes, secretary of the association, remarked as follows of the trade in sheep and wool with Canada:

"The wool known in our markets as Canada wool consists wholly of fleeces from the long-wooled Leicester and Cotswold sheep, and crosses of

these breeds with the Southdown, recently introduced from England. Mr. Stone, of Guelph, Canada West, has taken the lead in the introduction of these sheep. The flocks in Canada are small, averaging from twenty to fifty head. It has been estimated that 6,000,000 pounds of long wool will be grown in 1865, with a consumption in the United States of 5,500,000 pounds. The success of the Lowell Manufacturing Company in fabricating alpaca goods from Canada lustre wools has demonstrated that the wool does not deteriorate on this continent. The Canada wool has been found equal to the best English lustre wool, imported expressly for comparison. The free wool of Canada has been an inestimable boon to our worsted manufacturers. It does not compete with the production of our farmers, as we grow hardly more than 200.000 pounds of long wool, while Canada consumes 300,000 pounds annually of our clothing wool. It is not possible that our own production of long wool will keep up with the demand."

The wool here described is now subject to a duty of twelve cents per pound and ten per cent. *ad valorem*, its value being seldom below thirty-two cents; and sheep, as well as other animals, are charged with duty at the rate of twenty per cent. *ad valorem*. It is too soon to determine how this taxation will affect the course of trade.

Proceeding to the consideration of "agricultural products" exported from Canada to the United States, we first notice "barley and rye," of which a valuation of $94,185 in 1854 had become $2,879,870 in 1864–'65. This large sum was mostly paid for Canadian barley, which is described, in a recent memorial of brewers to Congress, as of a superior quality, usually commanding twenty to thirty cents per bushel more than barley grown in the United States. The Canadians cultivate the four-rowed variety, but their great advantage is the perfect adaptation of soil and climate to the production of this cereal. At present not more than one-third of the amount required by manufacturers of malt liquors is grown in the United States; and the statement has been made that if the barley now grown in Canada were reduced one-half, it would cripple the manufacture of malt liquors to such an extent as to involve a loss to the United States Treasury, annually of about $2,000,000. Barley was free of duty under the reciprocity treaty. The present duty is fifteen cents per bushel.

In 1854 Canada exported flour to the United States of the value of $3,370,316, reduced in 1864-'65 to $1,916,255. This large exportation of flour before the reciprocity treaties indicates that Canadian white wheat will always be required for domestic consumption in New England and New York, notwithstanding the duty of twenty per cent. Another singular fact is, that the value of wheat exported in 1854 was $2,870,652, while in 1864-'65 it was only $1,227,363, an excess in the former year of $1,642,645. Add this sum to the amount in which the export of flour in 1854 exceeded that of 1864-'65, and the aggregate more than balances the difference of agricultural which is recorded in favor of 1864-'65.

The observations suggested by the list of exports from the United States to Canada will occur in connexion with the next topic of inquiry, viz., "the nature and extent of the changes made in the Canadian tariff since 1854."

THE CANADIAN TARIFF.

By the Canadian tariff of 1849, spirits, wine, tobacco, tea, coffee, sugar, molasses, spices, &c., were charged with duties partly specific and partly *ad valorem*, which were gradually made exclusively specific. On the 26th March, 1859, this was altogether changed, *ad valorem* duties, ranging from thirty to one hundred per cent., and averaging forty per cent., were adopted, and mostly prevail at this time although additional specific duties have been imposed on the articles named above by the tariffs since 1862. When the duties were exclusively specific there was great encouragement of purchases in American markets; but with the policy of 1859, substituting *ad valorem* rates, the Canadian purchaser finds it for his interest to trade directly with Europe and countries producing the articles in question.

In regard to American manufactures, the Canadian tariff is not immoderate, and is of impartial application. There is no discrimination in favor of English fabrics, while the vicinity of the American manufacturer affords him a positive advantage. A large class of articles, consisting of iron, steel, metals, and articles entering into the construction of railways, houses, ships, and agricultural implements, are admitted at 10 per cent. duty; but 20 per cent. is the prevalent rate upon manufactured articles. Excluding the class of luxuries and stimulants first mentioned, the average taxation by Canada in 1864 '65 upon dutiable goods was 18.7 per cent.; while of the total importations, 43 per cent. were of articles free of duty. Of course this large percentage was owing to the operation of the reciprocity treaty, but it is likely to continue.

The average per centage on goods paying duty by Canadian tariffs was 13 per cent. in 1854, 19 per cent. in 1859, and during the last fiscal year ending June 30, 1865, it was 22.3 per cent.

The rate of taxation by the American tariff upon dutiable goods has been ascertained by Dr. William Elder, statistician of the Treasury Department, at the following averages for corresponding years: In 1854, 25.6 per cent.; in 1859, 19.5 per cent.; and in 1865, 50.4 per cent.

The Canadian advance of rates is less than might have been anticipated when attention is directed to the public debt of Canada, which was officially stated in 1864 at the sum of $76,223,061. Of this amount the following expenditures by the Canadian government have been for the construction of canals and railways, which have been of great value to the western States as communications with the ocean and the Atlantic cities:

1. The St. Lawrence canals, by which vessels of 800 tons burden avoid the rapids between Kingston and Montreal	$7,406,269
2. The Welland canal, passing vessels of 400 tons burden fro Lake Erie to Lake Ontario	7,809,849
3. Chambly canal and river Richelieu, enabling vessels to pass from the St. Lawrence into Lake Champlain	433,807
4. Lake St. Peter improvements, dredging a channel for sea-going vessels drawing 20 feet of water to Montreal	1,098,225
5. Harbors and light-houses, mostly in aid of the navigation of the lakes and the St. Lawrence	2,549,617
6. Grand Trunk railway	15,812,894
7. Great Western railway, from Niagara to Detroit	2,810,500
8. Northern railway, connecting Lake Huron with Lake Ontario	2,311,666
9. Interest on railway debentures, &c	9,642,025
Total	42,254,852

Fully fifty per cent. of the debt of Canada has been assumed for objects which are directly for the advantage of the American communities in the valley of the St. Lawrence—a consideration which should restrain any violence of remonstrance against the fiscal legislation of Canada.*

The relations of that legislation to exports from the United States to Canada will appear from the following statement, compiled from Canadian trade returns, which gives our exports for 1854, the year before the reciprocity treaty; for 1859, or midway of the operation of the treaty under the advanced Canadian tariff of that year, and from 1861 to 1865, or during the period of the war, exhibiting separately the amounts of free and dutiable goods and the average rates imposed by Canadian tariffs on dutiable goods:

Years.	Free goods.	Dutiable goods.	Rate per cent.
1854	2,526,555	16,307,326	13.1
1859	8,556,545	9,036,871	18.9
1861	12,722,755	8,346,633	19 0
1862	19,044,374	6,128,783	19 4
1863	19,134,966	3,974,396	22 5
1864. (half-year)	8,249,569	2,173,934	21.4
1864 '65	15,589,055	8,991,226	22 8

Of manufactures and foreign merchandise there was a larger importation to Canada from the United States in 1854 than in 1864-'65, for reasons already assigned. The leading articles taken by Canada in the latter year are coal, mostly anthracite, $544,511; meats, $876,968; Indian corn, largely for distillation, $781,288; wheat and flour, $3,559,749; cheese, $306,618; tobacco, unmanufactured, $277 007, and wool, $174,040. Total in 1864-'65, $6,510,211. Total of same articles in 1854, $1,498,888.

Passing from this special statement of the Canadian trade, a brief analysis will be attempted of the commercial relations of the United States to the following divisions of British America; 1. New Brunswick; 2. Nova Scotia; 3. Prince Edward Island; 4. Newfoundland; 5. Central British America or the territory of the Hudson Bay Company northwestern of Minnesota; and 6. The Pacific colonies of British Columbia and Vancouvers Island.

NEW BRUNSWICK.

The area of this province is 27,700 square miles, or 17,730,560 acres, of which 7,551,909 had been disposed of by sale or grant on Jan. 1, 1864, and 885,108 acres are under cultivation. A large portion of this surface is covered with dense forests of pine, hæmatac, cedar, &c., which furnish immense quantities of timber, both for export and shipbuilding. Coal and iron ore are abundant—the former said to extend over 10,000 square miles, or about one third of the area of the province. The fisheries of the Atlantic coast are inexhaustible, and very profitable.

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* There is, unquestionably, a growing party in Canada who advocate an advance of duties with a view to encourage manufactures. Hon. Isaac Buchanan, of Hamilton, is the prominent exponent of such a policy. While advocating a Zoll Verein or Customs Union with the United States, he argues, with much force and persistence in favor of restrictions upon trade with Europe. Mr. Galt, the Canadian minister of finance, insists that the Canadian tariff is not protective, in the usual sense of that term; but it is easy to see that Mr Buchanan's views are making way in Canada.

The following statistics of New Brunswick are compiled from the latest official reports. The revenue for the fiscal year ending Oct. 31, 1864, was $1,060,815; for 1863, $844,894; increase, $215,921; and derived as follows:

	1863.	1864.
Railway impost	$138,300	$181,944
Import duty	585,069	743,315
Export duty on lumber	61,834	67,640
Territorial and casual	23,293	30,738
Miscellaneous	36 398	37,128
Total	844,894	1,060,815
Importations for 1864, dutiable		$6,692,488
do do free		2,252,864
Total		8,945,342
Rate of impost on dutiable goods		13.57 per ct.
Rate of impost on all goods		10 15 per ct.
Importations from the United States		$3,816,824
Exportations to all countries		5,053,897
Exportations to the United States		1,266,148

The exports to the United States are largely of lumber, but otherwise the trade with this country is of the same nature as that of Nova Scotia, which will be given in more detail. The population of New Brunswick in 1864 was 272,780.

The Financial Secretary of the province, in his last report, says: "The reciprocity treaty had been ten years in operation on the 12th of November, 1864. During ten years ending Dec. 31, 1864, importations from the United States amounted in value to 6,728,896*l.* sterling, against 3,730,752*l.* during ten years immediately preceding the treaty." The same officer remarks that the only instance of coal mining in New Brunswick is by an American company.

In regard to the shipbuilding interest, it is stated by the same authority that the number of vessels built in New Brunswick during 40 years has been 4,169, measuring 1,584,386 tons, and the structures of 1864 were much above the average of those years.

The funded debt of New Brunswick, mostly incurred for railroads, was $5,702,991 in 1863.

NOVA SCOTIA.

The peninsula of Nova Scotia, including the island of Cape Breton, has an area of 18,746 square miles; in acres, 11,996,440, and probably no equal surface of the world combines so many natural advantages. Among these are a fertile soil, a climate softened by insular position and the vicinity of the Gulf Stream, capacious harbors never closed in winter, immense coal-beds accessible by vessels, and a productive gold district, besides deposits of iron, copper, manganese, gypsum, and slate. Although agriculture is prosperous, yet seafaring pursuits so largely engross the people that large importations of breadstuffs and provisions are made from the United States.

The following statements of the trade of Nova Scotia are official for the year ending Sept. 30, 1865:

The amount of customs and excise duties collected in 1865 was $1,047,-

891, against $990,169 in 1864—an increase of $57,721. The amount in the hands of the Receiver-General at the close of the last fiscal year was $222,932, against $225,150 at the end of September, 1864. The income and outlay for the fiscal year 1865 were thus nearly balanced.

The imports of the province have been rapidly increasing for the past four years. The official figures for those years are: 1862, $8,445,042; 1863, $10,201,392; 1864, $12,604,642; 1865, $14,381,662.

Here is an average increase of $2,000,000 a year for a province containing only about 350,000 people. The imports for 1864 and 1865 were divided between the various countries with which the Nova Scotians trade as follows:

Countries.	1864.	1865.	Increase.
Great Britain	$6,315,988	$5,407,843	$908,145
British North American colonies	1,592,773	1,188,746	404,027
British West Indies	667,206	440,767	226,439
United States	4,325,857	4,303,016	22,841
Other countries	1,479,838	1,234,270	245,568
Total	14,381,662	12,574,642	1,807,020

The imports from the United States in 1865 are classed thus:

Subject to duty	$1,186,160
Free under reciprocity	1,747,306
Free under tariff	1,392,391

Those articles free both under the tariff and under reciprocity are put in the former class. Nearly the whole of the imports which are classed as free of duty under the reciprocity treaty consisted of wheat flour, no less than $1,529,819 of flour having been imported. The imports—beef, pork, and hams—from the United States, during the year, were valued at $170,282, and of butter and lard at $23,051. The principal dutiable articles imported from the United States were:

Cordage and canvas	$24,966	Molasses	10,443
Cottons and woollens	102,656	Paper manufactures, &c.	22,994
Drugs and patent medicines	43,990	Spirits	46,447
Leather and leather manufac'res	137,696	Sugar, raw and refined	17,326
Hardware	243,650	Tea, black	65,505
Rock and coal oil and burning fluid	$93,477	Tobacco, manufactured	82,520
		Woodware, manufactured	118,864

The principal articles free under the tariff were:

Flour, other than wheat	$102,815	Salt	$2,119
Fish, all, and oil of	84,793	Stone, including lime	14,754
Grain	23,142	Tobacco-leaf	53,841
Hardware	17,843	Vegetables	12,274
Hides and skins	26,828	Woodware, manufactured	10,576
Printed books, &c.	35,821		

The total exports of the province for the last fiscal year were valued at $8,830,639. The leading articles were fish, coal, lumber, and its manufactures. A portion of the exports, however, consisted of articles not produced in Nova Scotia, which had evidently been imported and then sold into the other maritime provinces.

(To be continued.)

THE BANK OF ENGLAND.

BY MERCATOR.

The story of the establishment of the Bank of England, and its subsequent remarkable career, has been so often related—and with so much ability and in such ample detail—that to attempt any new narrative of the subject may appear, in the opinion of a pretty large and enlightened class, more tedious and trite than a twice or even a thrice told tale, and quite a work of supererogation. What the few have learned and are familiar with, they think to answer all useful puposes, particularly if it be thought that the spread of knowledge would tend to inconvenience or danger. There is, however, an old adage that there are two ways of telling a story, and from the experience of most persons—with statesmen, historians, lawyers and witnesses—they would be apt to arrive at the conclusion that there are far more; and we may therefore reasonably obtain pardon if we have fallen into the error of believing that we might be able to give a brief and plain account of the Bank of England, from the period it was founded down to the present time, interspersed with some observations and reflections of our own, which, if displaying no striking quality, may have the merit of leading such readers as are familiar with the subject into a path hitherto untrodden by them, and inducing them to contemplate the narrative from a new point of view. There is, however, a vast multitude—and it is to it we chiefly address ourselves—composing not only thousands, but millions, who are as ignorant of the Bank of England as they are of the invention of pounds, shillings and pence by William the Conqueror, and to whom, we trust, what we shall feel it our duty to recount, will be as interesting and serviceable as it will undoubtedly be novel.

There is no question that, sometime previous to the starting of the Bank of England, all classes, but more especially the commercial class, required greater facilities in obtaining monetary accommodation than it was possible to procure under the existing state of things; and various plans had been proposed by projectors, in numerous pamphlets, tracts, and other publications, for the establishment of a national bank, which attracted much attention, and was received with considerable favor. The accommodation which the goldsmiths, who were then the only persons engaged in the business of banking in the country, had it in their power to afford, was so inadequate to meet the growing demands of commerce, and they were, moreover, in the habit of applying "the screw"—to use a modern phrase well understood—with much severity, that a general desire prevailed for the abolition of this growing monopoly.

If the Bank of England had started into existence to supply this want, and had confined itself to assist and extend commercial enterprise, by a judicious employment of the enormous capital at its command, it would have been a real national blessing, and its founders would have been entitled to be regarded as benefactors of their country. But such was, unfortunately, not the case, and the bank, which was recommended to public patronage and support, as the means of securing for trade and commerce substantial advantages, by an extinction of monopoly, and an equitable reduction of interest, became itself one of the most grievous and withering monopolies with which the country has ever been cursed, and an

engine in the hands of avaricious men to wring extortionate profits from the industrial classes of society. When James II., at the revolution of 1688, which Hallam, a distinguished constitutional historian, denies to have been a glorious one, left his throne vacant for his ungrateful and undutiful nephew and son-in-law, William III., and his unnatural daughter, Mary Stuart, the affairs of the kingdom were in a happy and prosperous condition. The burdens were light upon the people, a tax-gatherer was almost unknown in England, a circumstance which will excite little surprise when were collect that the national debt, which now amounts to about 900,000,000*l*, at the close of the reign of the sovereign who was exiled for his attachment to Popery and the Jesuits, though an Archbishop of Canterbury, and a large section of the clergy preferred to be reduced to indigence rather than take the oath of allegiance to his successor, did not exceed the modest proportion of 664,263*l*.

William Patterson, the projector and founder of the Bank of England, was a native of Scotland, and born in Traillflatt, in the county of Dumfries. He was educated for the church, and afterwards pursued for a length of time a course of life inconsistent with the profession for which he was intended. He was engaged in the Darien scheme, and was evidently a person of adventurous spirit and fertile imaginatio n—just one of the class who are qualified by boldness, industry, perseverance, and originality, to become the pioneers in great social and political changes. He, however, does not deserve much credit upon the score of originality for having proposed the establishment of a Bank of England, as we had only to look to Hamburg, Amsterdam, Venice, and Genoa—where banking institutions, similar to the one he contemplated founding, existed and flourished—to find models for his guidance. After Patterson generated his scheme, he became little more than an instrument in the hands of an intriguing and unscrupulous man, named Michael Godfrey, who was one of the creatures of William 3d, and was appointed by him to the office of first Deputy-Governor of the Bank of England. The advocates of the scheme supported it upon political and commercial grounds, and among the most ardent of its champions, we find in the front rank Michael Godfrey, stating in a pamphlet that some "pretended to dislike the Bank only for fear that it should afford their majesties the supplies required to be raised," and after complaining that all the company of oppressors "*were tortioners and usurors, were never so attacked as they were likely to be by it.*" The course pursued by the Bank of England for more than 150 years has not tended to fulfil this prediction.

Smollet observes that the project had been recommended to the ministry for the following reasons: That it would rescue the nation out of the hands of extortioners, lower interest, raise the value of land, revive public credit, extend circulation, improve commerce, facilitate the annual supplies, and connect the people more closely to the government. The opponents of the movement, including the Goldsmiths and the Tory party —with more truth and reason—justified their resistance to it, upon the ground that the proposed Bank would become a monopoly, and engross the whole money of the kingdom, that it might be employed to the worst purposes of arbitrary power, that it would weaken commerce by tempting people to withdraw their money from trade, that it would enable brokers and jobbers to prey upon their fellow creatures, that it would encourage frauds and gaming, and corrupt the morals of the nation.

Thus advocated and denounced, the scheme was submitted to the Privy Council, and fully discussed in the presence of Queen Mary. The King, her husband, was absent at the time, but he was made acquainted with its details, and approved of it because he perceived that it would afford him the means of raising large sums of money to prosecute the war, in which he was engaged against France. William, however, with that habitual caution and foresight, for which he was distinguished, aware of the hostility which prevailed towards the measure, instead of introducing it boldly and prominently—to borrow the words of an able financial authority—smuggled it at the tail of an act of Parliament for raising money generally and in the preamble this statute is described, *as a means for securing certain recompenses and advantages to such persons as should voluntary advance the sum of fifteen hundred thousand pounds, to enable their majesties to carry on the war against France.*

By the act of 5 William & Mary, it was declared that a royal charter should be granted, under the title of "The Governor & Company of the Bank of England," to such persons as should *voluntarily advance a loan of* £1,200,000 *to the Government*, at the rate of 8 per cent. per annum interest, and £4 per cent. for management. This amount was to be subject to redemption, if Parliament should think it expedient to cancel it, by giving twelve months' notice after the 1st August, 1705—but, instead of repaying it, the debt has from time to time enormously increased, and it remains unredeemed to the present day. There was still £300,000 of the £1,500,000 deficient, and this was also to be raised by subscription, each subscriber receiving an annuity for one, two or three lives upon the following terms: Every subscriber who advanced £100 on *one* life, was to receive an annuity of £14; on two lives, an annuity of £12 for every £100 advanced; and on three lives, an annuity of £10 for every £100. There was a provision in the act that in case the sum of 1,500,000*l.* was not raised before October, 1694, the deficiency was to be made up by a loan at 8 per cent. In the space of ten days the entire amount was advanced, and 25 per cent. of the money paid down, and on the 27th July, 1694, the charter was duly signed and sealed. The Bank then immediately commenced operations in Grocers' Hall, and consisted of a governor, a deputy governor, and a proprietary of holders of capital stock.

The property qualification of a Governer was, and still is, that he should possess 4,000*l. on his own right;* for a Deputy Governor, 3,000*l.*; for a Director, not less than 2,000*l. of the stock of the corporation*; and every elector was obliged to have 500*l.* capital stock to entitle him to *one vote.* It is a remarkable circumstance—just as if the Governor of this corporation of money dealers would not be likely to take care of his own interest and that of his associates—that he was required to make the following oath, which each of his successors has been obliged, down to the present time, also to do upon entering upon office:

"I, A. B——, being nominated or elected to be Governor of the company of the Bank of England, do promise and swear that I will, to the utmost of my power, and by all lawful ways and means, endeavor to support and maintain the *body politic of fellowship* of the Governor and company of the Bank of England, and the *liberties and privileges* thereof; and that in the execution of the said office of Governor, I will faithfully and honestly demean myself, according to the best of my skill and understanding, so help me God."

It is difficult to reconcile this oath, which the chief officer of a national monetary institution is even now required to take, with a passage in the charter, wherein it is stated that the bank was established with a view of *promoting the public good and benefit of the people.*

In glancing at the history of the bank and consulting the testimony of distinguished individuals and numerous commercial bodies in the kingdom, it will be found that, in observing the letter and the spirit of this oath, the Governors of the Bank of England have, in numerous instances, inflicted serious injury upon society. We have now seen the bank fairly started, having lent its capital of 1,200,000*l.* at the handsome remuneration of 100,000*l.*, to be paid annually for the loan.

FOREIGN TRADE AT NEW YORK FOR MAY.

The official Custom House figures showing the foreign trade at the port of New York for May have just been furnished. We trust that many years (!) will not elapse before some way will be found of making up these returns earlier, so that they can possess a little more present interest. The figures now made public enable us to bring down our tables to the close of the eleventh month of the fiscal year, and we give in comparison the same periods of previous years.

IMPORTS.

For the month of May, as our readers have seen from our weekly tabl the imports were very large, being in fact this year more than twice the amount for May, 1865. The following are the imports for May of each of the last three years:

	1864.	1865.	1866.
Entered for consumption	$7,531,800	$6,592,157	$18,563,551
Entered for warehousing	14,727,176	5,288,049	13,902,407
Free goods	1,056,576	818,818	959,416
Specie and bullion	660,093	177,085	393,073
Total entered at port	$23,975,144	$12,876,109	$28,818,447
Withdrawn from warehouse	659,869	10,277,170	9,450,591

From the above it will be seen that the total goods thrown on the market during each year in May was as follows:

FOREIGN GOODS MARKETED IN MAY.

	1864.	1865.	1866.
Entered for consumption	$7,531,800	$6,592,157	$18,563,551
Free goods	1,056,576	818,818	959,416
Withdrawn from warehouse	659,869	10,277,170	9,450,591
	$9,267,745	$17,688,145	$23,973,558

The total imports for the first five months of the year are as below:

FOREIGN IMPORTS AT NEW YORK FOR THE FIVE MONTHS FROM JANUARY 1ST.

	1864.	1865.	1866.
Entered for consumption	$70,520,704	$29,583,127	$78,077,039
Entered for warehousing	37,837,458	30,687,327	55,469,417
Free goods	4,793,780	4,070,486	6,027,286
Specie and bullion	1,280,283	815,791	1,066,637
Total entered at port	$114,432,225	$65,156,731	$140,666,379
Withdrawn from warehouse	30,294,323	35,279,363	41,026,423

It will be noticed that the increase this year in imports is considerably more than 100 per cent., being $65,156 1,73 in 1865 and $140,666,879 in 1866. This is for the

five months since January 1. If now we add the figures since July 1, we have as follows:

FOREIGN IMPORTS AND AMOUNT MARKETED AT NEW YORK FOR ELEVEN MONTHS.

	1865-66.		1864-65	
	Total imports.	Total thrown on market.	Total imports.	Total thrown on market.
Six months	$142,730,567	$135,457,584	$79,767,221	$69,201,651
January	30,109,890	27,219,988	10,620,117	11,711,178
February	30,692,557	26,560,901	11,473,648	11,473,456
March	26,204,940	24,224,630	16,012,373	13,692,088
April	24,840,605	23,269,391	14,174,464	14,369,609
May	28,818,447	23,973,558	12,876,109	17,688,145
Total for 11 mos	$283,396,746	$259,705,332	$144,923,953	$138,135,127
Deduct specie	2,157,095		1,654,399	
Total merchandise	$281,239,651		$143,269,553	

In the foregoing we have not only given the total imports each month, but also a column showing the total amount thrown on the market.

WAREHOUSE MOVEMENT.

This year, about one-half of the imports ($13,902,407) were entered for warehousing, but as $1,246,288 was re-exported in bond, and $9,450,591 were withdrawn for consumption, the increase for the month in stock is only about three millions. Below we give a statement of the warehouse movement for May, with the stock on hand June 1:

WAREHOUSE MOVEMENT AT NEW YORK IN MAY.

Stock in warehouse May 1, 1866		$30,135,543
Entered for warehousing in May		13,902,407
Received from other ports in May		166,186
Supply		$44,204,136
Withdrawn for consumption	$9,450,591	
Exported from warehouse	1,246,288	
Transported to other ports	210,342	10,907,221
Stock in bond June 1, 1866		$33,296,915
do do 1865		24,349,743
do do 1864		18,816,114
do do 1863		19,231,534
do do 1862		11,863,642

CUSTOM RECEIPTS.

On account of a large proportion of the imports being entered for warehousing, the duties collected are not in proportion to the increased imports. The following table gives the Custom's receipts at this port for the eleven months:

RECEIPTS FOR CUSTOMS AT THE PORT OF NEW YORK.

	1864.	1865.	1866.
Six months	$35,042,976 45	$24,473,902 73	$65,007,328 87
January	6,180,536 09	4,231,737 47	12,437,474 16
February	7,474,027 93	4,791,247 10	12,008,273 74
March	7,659,770 47	5,392,099 26	11,173,154 62
April	13,982,555 60	6,309,994 84	10,970,896 78
May	8,855,186 46	8,138,423 06	11,418,492 10
Total for eleven months	$74,195,053 00	$53,337,403 96	$123,055,620 27

EXPORTS.

The exports this year during the month of May have also been in excess of previous years, given in our comparative table. It should be remembered, however, that they are recorded at their market currency value, while the imports are given in their invoiced gold value, without freight and duty being added. The following will show the comparative exparts from this port for the month of May:

EXPORTS FROM NEW YORK TO FOREIGN PORTS IN THE MONTH OF MAY.

	1864.	1865.	1866.
Domestic produce	$14,610,493	$7,868,565	$12,281,628
Foreign free goods	40,898	54,500	151,893
do dutiable	569,888	280,210	759,857
Specie and bullion	6,460,930	7,255,071	26,744,194
Total exports	$21,682,209	$15,513,316	$39,937,067
do do exclusive of specie	15,221,279	8,258,275	13,192,873

This shows a gain on May of last year, but is a little below the corresponding totals of several previous years. In specie, it shows the largest monthly export on record. The heaviest shipments in any previous month were in May, 1859, when the total was $11,421,082. We present also the exports from this port from January 1 to the close of May:

EXPORTS FROM NEW YORK TO FOREIGN PORTS FOR FIVE MONTHS FROM JANUARY 1ST.

	1864.	1865.	1866.
Domestic produce	$67,390,427	$60,068,965	$94,658,047
Foreign free goods	281,956	599,479	403,720
do dutiable	2,849,637	2,011,597	2,419,732
Specie and bullion	22,619,012	12,716,287	29,891,474
Total exports	$93,141,032	$75,396,328	$127,367,973
do do exclusive of specie	70,522,020	62,680,041	97,476,499

This shows a large increase the last five months over the same period of 1865. If now we add the figures for the previous six months we have the following as the exports for the eleven months of the fiscal year:—

EXPORTS (EXCLUSIVE OF SPECIE) FROM NEW YORK TO FOREIGN PORTS FOR ELEVEN MONTHS OF THE FISCAL YEAR.

	1864.	1865.	1866.
Six months ending Jan. 1	$79,049,334	$131,946,100	$107,699,914
January	12,150,670	16,561,598	20,108,207
February	14,196,409	15,750,807	17,195,507
March	15,082,677	14,297,713	23,668,817
April	13,870,965	7,711,648	23,311,095
May	15,221,279	8,258,275	13,192,873
Prod. and Mdse. 11 months	$149,571,354	$194,626,141	$205,176,413
Add of Specie	51,741,111	34,389,787	41,979,398
Total Exports for 11 months	$201,312,465	$229,016,928	$247,155,811

In estimating the trade of the country from these figures for the port of New York, it should be remembered that they do not represent the same proportion of that trade as formerly. The last year nearly all the imports for the South have been entered at New York, while the exports from the South have been very large; in cotton alone amounting to about 700,000 bales.

TRADE OF GREAT BRITAIN AND THE UNITED STATES.

COTTON, BREADSTUFFS, PROVISIONS, ETC.

Our London correspondent furnishes us an analysis of our trade with Great Britain during the first five months of the present year, compared with the corresponding period in 1865 and 1864. The figures presented to us exhibit many features of great interest at the present moment, and show how extensively our inward and outward trade with Great Britain has been augmented.

The total declared value of the exports of British and Irish produce from Great Britain to all quarters from Jan. 1 to May 31 was £78,227,710, whilst in the corresponding period last year, it amounted to only £60,901,576; and in 1864 to £64,069,060

There is, therefore, an increase in the present year in this department of trade of nearly £18,000,000 as compared with 1865, and of £14,000,000 as compared with 1864 For each month the figures stand thus:

	1864.	1865.	1866.
January	£10,413,586	£10,489,339	£14,354,749
February	12,696,121	11,376,214	15,116,063
March	13,555,674	13,770,154	17,520,354
April	13,225,069	12,071,111	15,366,414
May	14,176,640	13,194,758	15,870,131
Total	£64,069,060	£60,901,576	£78,227,710

The details for each country embrace a period of only four months, and for that period the return gives the following results so far as the United States are concerned:

	1864.	1865.	1866.
To Atlantic ports, Northern	£8,216,370	£3,857,997	£10,834,340
" Southern	49,934	18,718	390,249
Pacific ports	233,036	132,500	277,683
Total	£8,499,340	£4,009,215	£11,502,272

The computed real value of the principal imports into Great Britain for the four months ending April 30 was £68,804,895, against £45,337,850 in 1865, and £54,719,390 in 1864. For each month in each of the last three years the figures were as follows:

	1864.	1865.	1866.
In January	£7,520,356	£6,396,929	£9,847,564
February	13,214,541	12,891,253	16,610,159
March	16,396,928	13,005,394	19,891,204
April	17,587,565	13,078,755	22,455,968
Total	£54,719,390	£45,337,850	£68,804,895

COTTON.

Cotton continues to be imported freely into Great Britain from the United States. In May the largest supply was received from that quarter the receipts from American ports being very nearly one-half of the total importation. The total imports in May was 1,490,636 bales being an increase of 880,000 bales as compared with May last year, and an increase of 500,000 bales as compared with the same month in 1864. The total receipts for the five months ending May 31, were 5,180,070 bales, against 2,637,022 bales last year, and 2,756,664 bales in 1864. The details are as under:

IMPORTS OF COTTON INTO THE UNITED KINGDOM IN FIVE MONTHS.

	1864. Cwts.	1865. Cwts.	1866. Cwts.
From United States	50,791	60,144	2,471,929
Bahamas and Bermudas	127,271	141,959	2,734
Mexico	127,539	173,400	3,145
Brazil	133,960	198,700	332,708
Turkey	52,597	130,657	76,794
Egypt	590,676	660,208	551,251
British India	1,247,875	925,891	1,649,553
China	300,164	206,495	.....
Other countries	85,801	139,569	91,956
Total	2,756,664	2,637,033	5,180,070

The computed real value of the cotton imported during the *four* months ending April 30 was as follows:

	1864.	1865.	1866.
From United States	£133,749	£289,048	£15,483,361
Bahamas and Bermudas	1,280,478	1,197,855	23,227
Mexico	1,276,280	934,587	128,591
Brazil	1,199,482	1,809,782	2,361,935
Turkey	573,397	449,937	287,989
Egypt	4,324,432	4,928,078	3,996,556
British India	7,211,413	3,363,543	6,343,468
China	1,806,422	683,514	.....
Other countries	716,408	811,120	619,683
Total	£18,472,061	£13,967,469	£29,944,760

The export of cotton from Great Britain in May were less than in the corresponding month in 1865. This circumstance arose from the fact that a probability then existed of a Fenian war, the decline in the export being chiefly as regards the Hanse Towns. The total for the month is 268,945 cwts.; against 323,864 cwts. in 1865, and 275,301 cwts. in 1864. For the five months ending May 31, the exports to each of the leading countries were of the following magnitude:

To Russia:	1864. cwts.	1865. cwts.	1866. cwts.
Northern ports	60,491	27,639	26,542
Prussia	6,058	4,841	29,542
Hanover	28,339	13,096	5,618
Hanse Towns	262,045	201,717	396,076
Holland	164,966	111,691	210,134
Other countries	346,635	384,308	567,117
Total	809,564	743,292	1,295,029

BREADSTUFFS.

Now that war has been commenced on the Continent of Europe, and that a considerable rise has taken place in the value of wheat in England, statistics relating to the extent of the imports of wheat and flour into Great Britain are of valuable importance. The most significant fact to be drawn from the latest statement of imports into Great Britain is the extent to which the export trade in wheat and flour from French ports has been augmented during the present year. Russia, in the export of wheat, shows a very large increase; but, as regards the United States the figures are quite unimportant. The quantity shipped from Prussian ports is small as compared with the exports from France and Russia. Our latest advices from London, Liverpool, and the other principal markets of the United Kingdom, state that, in consequence of the fineness of the weather, the continuance of a high rate for money in the discount market, and an increasing importation, the wheat trade had become most inactive; but, in consequence of the Continental war, holders of wheat were quite indisposed to make any concessions in prices. It appeared doubtful whether the advance in the quotations of 6s. @ 8s. per quarter could be wholly maintained, there being a tendency to a lower range of values. The statement of imports into the United Kingdom is as follows:

IMPORTS OF BREADSTUFFS INTO THE UNITED KINGDOM IN FIVE MONTHS.

WHEAT.

From	1864. cwts.	1865. cwts.	1866. cwts.
Russia	796,909	2,054,251	3,250,422
Prussia	1,892,185	1,473,366	939,544
Denmark	267,362	146,050	97,158
Schleswig, Holstein, and Lauenburg	138,976	93,179	54 890
Mecklenburg	247,243	286,755	202,742
Hanse Towns	326,578	171,555	188 680
France	436,891	277,214	2,287,920
Turkey, Wallachia, and Moldavia	212,489	290,656	244,757
Egypt	357,288	....	....
United States	3,310,792	141,211	315,160
British North America	17,336	2,294	8,799
Other Countries	181,480	497,423	1,762,525
Total	8,258,541	5,389,223	9,342,578

It will be observed that Egypt has not yet assumed her position as a wheat exporting country.

FLOUR.

From	1864. cwts.	1865. cwts.	1866. cwts.
Hanse Towns	160,137	109.014	97,869
France	1,287,722	1,605,671	2,387,055
United States	902,136	100,455	163,712
British North America	4,305	11.385	6,137
Other Countries	46,229	73,600	104,011
Total	2,460,530	1,900,125	2,758,784

BRITISH AND IRISH PRODUCE.

The exports of British and Irish produce and manufactures in May show, as regards many articles, a diminution from previous years, not so much, indeed. from last year, at which period comparatively little business was then passing between the United States and Great Britain, but from 1864 and previously to that period. The aggregate for the present year, however, is large, and compares very favorably with many previous years:

DECLARED VALUE OF EXPORTS OF BRITISH AND IRISH PRODUCE FROM GREAT BRITAIN TO THE UNITED STATES FROM JAN. 1 TO MAY 31.

	1864.	1865.	1866.
Alkali	£196,056	£172,502	£414,532
Beer and ale	26,379	14,497	29,243
Coals	50,746	37,906	33,833
COTTON MANUFACTURES—			
Piece goods	1,659,614	511,735	1,858,832
Thread	113,530	35,069	160,486
Earthenware and porcelain	197,052	138,704	314,351
Haberdashery and millinery	553,249	208,757	701,605
HARDWARES AND CUTLERY—			
Knives, forks, &c.	60,536	50,916	192,187
Anvils, vices, saws, &c.	50,776	23,662	52,907
Manufactures of German silver	155,759	64,861	292,356
LINEN MANUFACTURES—			
Piece goods	1,363,841	894,044	1,909,537
METALS—			
Iron—Pig	155,024	47,838	142,949
Bar, &c.	485,718	61,618	256,197
Railroad	533,529	93,397	341,110
Castings	2,396	1,157	8,450
Hoops	151,040	20,272	141,749
Wrought	166,569	66 124	104,438
Steel—Unwrought	282,076	115,515	271,900
Copper, wrought	11,900	12,620	24,666
Lead, pig	168,557	6,212	59,634
Tin plates	426,924	316,186	645,172
Oilseed	45,742	39	72,316
Salt	13,630	11,197	61,316
SILK MANUFACTURES—			
Piece goods	52,448	22,804	80,261
Handkerchiefs, scarfs, &c.	13,325	999	5,559
Ribbons	26,204	11,207	22,399
Other articles	56,227	38,021	51,770
Other articles mixed with other materials	23,415	12,527	30,148
Spirits, British	7,457	544	4,351
Wool	33,006	250	242
WOOLLEN AND WORSTED MANUFACTURES—			
Cloths of all kinds	552,128	154,364	451,928
Carpets and druggets	233,534	47,581	33 ,087
Shawls, rugs, &c.	50,031	7,528	16,777
Worsted stuffs of wool only, and of wool mixed with other mat.	1,291,023	668,531	1 754,972

PROVISIONS.

In the imports of provisions the principal increase is in lard and eggs. The former of these articles is selling at high prices in the United Kingdom, although they exhibit a considerable decline from the quotations current at the close of last year. Of other provisions the arrivals show no material variation from last year:

IMPORTS OF PROVISIONS IN FIVE MONTHS.

	1864.	1865.	1866.
Bacon and hams, cwts	639,191	3 8,685	365,300
Beef, salt, cwt	197,355	119,928	108,659
Pork, salt, cwt	100,935	74,072	110,452
Butter, cwt	344,077	388,618	385,670
Cheese, cwt	204,458	207,126	155,344
Eggs, number	139,230,520	157,328,520	196,955,760
Lard, number	59,631	71,283	165,926

LIVE STOCK.

In consequence of the war, the import of live stock from Austria into Great Britain

is stopped. The British Government, however, have modified their recent orders, and the import of fat stock is now permitted from ports in Friesland and Groningen. The imports of live stock into Great Britain for the five months ending May 31, were as under:

	1864.	1865.	1866.
Oxen, bulls and cows, number	33,200	55,713	54,333
Calves, number	9,821	10,356	6,699
Sheep and lambs, number	91,194	150,418	324,273
Swine and hogs, number	10,137	27,837	24,899

SHIPPING.

In May, 40 vessels, of a tonnage of 41,897 tons entered at ports in the United Kingdom. In the corresponding time last year, the aggregate was only 23, of 22,590 tons burden; but in 1864 the total reached 40, whilst the tonnage was 48,398 tons. During the five months the entries were 191, against 106 last year, and 173 in 1864, the tonnage in those years being 194,486, 115,862, and 199,987 tons respectively. The clearances of American vessels in May were 45, against 44 in 1865, and 40 in 1864. During the five months ending May 31, the total entries of American vessels were 233, of 231,011 tons; against 138, of 142,286 tons last year, and 183, of 203,930 tons in 1864. In May, 159 vessels entered at ports in the United Kingdom from American ports, the total during the corresponding month last year being only 45, and in 1864 95. The total entries of vessels from the United States during the five months ending May 31 were 705, of 653,116 tons; against 201, of 230,042 tons last year; and 428, of 425,977 tons in 1864. The clearances of vessels of all nationalities at ports in Great Britain for American ports were as follows: In May, current year, 126; do. last year, 83; do. in 1864, 112; in the five months ending May 31, 1866, 648; in 1865, 270, and in 1864, 395.

ANALYSES OF RAILROAD REPORTS. No. II.

I. St. Louis, Alton & Terre Haute Railroad.—II. Lehigh Coal & Navigation Company.—III. Cumberland Valley Railroad.

The Financial Statement of the Illinois Central, Pittsburg, Fort Wayne & Chicago and Chicago and Rock Island Companies appeared in the July number. We now give brief historical sketches of each, which were received too late for insertion in their appropriate places.

ILLINOIS CENTRAL RAILROAD.

The Illinois Central Railroad Company was chartered by the State of Illinois February 10, 1851, and authorized to construct a railroad from La Salle, northwes, to the Mississippi River opposite Dubuque, Iowa, and southwardly to Cairo at the confluence of the Ohio with the Mississippi, and also a branch from the main line to Chicago. The Company's capital was fixed by this charter at $1,000,000, and might be increased to whatever sum the cost of construction might involve.

The charter also surrendered to the Company all the property acquired by the State in the course of previous efforts made to construct a railroad between the same points; and all the lands donated by the United States under the act of Congress of September 30, 1850. These latter consisted of nearly 2,600,000 acres in alternate sections within six miles on both sides of the road. This property was placed in trust to be applied only to the construction of the works projected. Upon

compliance with these conditions and the completion of fifty miles of road, one fourth of the donated lands was to be held free of incumbrance and disposable by the company for its general exigencies and the remaining three-fourths were to be retained by the trustees as securities for the payment of bonds which the Company was authorized to issue. The trustees were to sell the last named bonds either for cash or in exchange for the bonds, the payment of which was intended to be thus secured, and if in cash the same to be invested in the bonds, which on receipt were to be cancelled.

The charter also provided for the exemption of the Company's property from local taxation; but required for this privilege a payment to the State 7 per centum of the gross receipts of the road when in operation.

The main line of the road as defined by the charter extends through the whole length of the State north and south. The Chicago Branch leaves the main line at Centralia and extends northwesterly to Lake Michigan. The aggregate length of both lines is about 708 miles.

The Company was organized, March 10, 1851. The first engineering party organized May 21st following and soon after commenced the preliminary survey of the Chicago Branch, and by mid-summer seven other parties had been organized, and were in the field; and before the end of the year the whole line had been surveyed and located.

The first contract for graduation was made, March 15, 1852, for that portion of the branch between Chicago and Calumet, 14 miles. This was hurried through for the purpose of allowing the Michigan Central Railroad to enter the city, and was completed May 15, of the same year.

Public contracts were first made in June, 1852, when the grading of six divisions of the road was let, and on October 14, following the remaining six divisions were put in hand. The work was carried on with such vigor that both the main line and branch were completed and brought into operation within the next four years, having been opened in sections as follows:

Chicago to Calumet.....14 miles,	May 15, 1852	Warren to Scales Mound.14 miles,	Sept.11, 1854
La Salle to Bloomington.60 "	" 16, 1853	Clinton to Decatur.....2? "	Oct. 18, 1854
Calumet to Kankakee...42 "	July 11, 1853	Scales Mound to Galena.12 "	Oct. 30, 1854
LaSalle to Mendota.....16 "	Nov. 14, 1853	Cairo to Sandoval.....118 "	Nov. 23, 1854
Kankakee to Spring Cr'k 31 "	Dec. 2, 1853	Decatur to Sandoval....85 "	Jan. 1, 1855
Freeport to Warren.....25 "	Jan. 9, 1854	Mendota to Freeport....65 "	Feb. 1, 1855
Bloomington to Clinton .23 "	Mar. 14, 1854	Galena to Dunleith.....17 "	June 12, 1855
Spring Creek to Peru. .22 "	May 18, 1854	Urbana to Mattoon.....44 "	June 25, 1855
Peru to Urbana.....20 "	July 24, 1854	Mattoon to Centralia....77 "	Sept. 27, 1856

The several series of bonds issued by the Company for construction and other purposes may be described as follows:

Construction Bonds.....$17,000,000

of which were 7 per cents $12,885,000, and 6 per cents $4,115,000. These bonds bear date April 1, 1851 and are payable April 1, 1875; coupons semi-annually April 1 and October 1—the 7's at New York, and the 6's at London. This issue provided the means for constructing the road. They are secured by a mortgage covering the company's road and franchises and 2,000,000 acres of land, and all sales of these lands are to be applied to their redemption, which may be made at any time, the Company paying 20 per cent. additional on the original amount. The company have also superadded to the security above named 250,000 acres of land not included in the two million aforesaid and the net earnings of the road. Of the total amount $7,266,500 have already been redeemed and cancelled.

Free land Bonds, 7's.....$3,000,000

—dated Sept. 1, 1854, and payable Sept. 1, 1860; coupons semi-annually March 1 and Sept. 1 at New York.

These bonds were issued to complete the work, the original estimates having been exceeded. They were secured on 845,000 acres *without encumbrance* (hence their title). The whole issued was redeemed before maturity.

Optional Rights Bonds, 7's.....$3,200,000

—dated Feb. 20, 1858, and payable 1868; coupons semi-annually, Jan. 1 and July 1, at New York. All except $32,000 have already been converted or otherwise retired

Debenture Bonds, 7's..... ...$970,000

—dated July 1, 1859, and payable 1861; interest Jan. 1 and July 1, at New York. These were temporary loans and have all been retired.

Eight per cent bonds..... .....$500,000

—dated March 1, 1860 and payable 1865; coupons March 1 and Sept. 1 at New York. These bonds were issued for the payment of such Free Land Bonds as were not paid in upon stock at maturity. The amount issued was $332,100, all of which but $3,000 have been retired by conversion into stock.

Redemption Bonds, 6's.....$2,563,000

—dated April 1, 1865, and payable 1890; coupons April 1, and October 1, at New York. Exchanged for construction bonds.

The yearly condition of the above debt is shown in a special table. The result is that it has been reduced from $18,008,650 in 1857 to $12,331,300 at the close of 1865. The stock in the meantime has been increased from $6,556,435 to $23,374 400 partly by conversion, partly by stock dividends, and partly by instalments of the original subscriptions.

The amount expended in constructing and equipping the road has been $30,519,844.

The Illinois Central Railroad Company has been one of the most successful of the land-grant companies. It constructed the longest continuous line of railroad in the Northern States through an almost unpeopled country. In ten years thereafter a large population covered the land for many miles on each side of the road, and by their persistent industry the country has become so productive as to support the road with an affluent commerce and the land-grant has become so productive as to promise to do much more than extinguish the debt incurred in construction, &c. The amount of land already sold is 1,599,564 acres for $18,191,362 of which $2,844,730 was paid in cash and the remainder in notes. Of these notes $8,785,035 are still outstanding and there is still remaining of the original grants 998,069 acres of the present value of $8,772,264. These assets are ample to retire the debt, and when so retired the stock alone will have to be provided for from the annual earnings. This at the present day is worth more than 120—what will be its value when the Company is clear of its funded incumbrances. The future of the Company, indeed, is magnificent. With an ever increasing population and production along its route the commerce of the road is increasing wonderfully, and requires continued increase of equipment to accommodate its wants. In the ten years ending with 1865 the number of engines and cars has been doubled. In ten other years another duplication will have been made, and this probably without any large increase in the capital account. Should such be the actual result the increase must benefit alike the settler and the stockholder

—the former by making high rates for travel and freight unnecessary, and the latter by enhancing the value of the stock held.

PITTSBURG, FORT WAYNE, AND CHICAGO RAILWAY.

The Pittsburg, Fort Wayne and Chicago Railway Company is a consolidation of three separate companies whose conjoint line extends from Pittsburg, Pennsylvania, to Chicago, Illinois. These were the Pennsylvania and Ohio, the Ohio and Indiana, and the Fort Wayne and Chicago.

The Ohio and Pennsylvania Railroad Company was chartered in Ohio February 14 and in Pennsylvania April 11, 1848; construction was commenced July 4, 1849, and the road completed in sections as follows: from Pittsburg to Rochester July 30, to Clark's Summit, October 22, to Enon Valley November 19, and to Palestine December 8, 1851; to Columbiana January 2, to Alliance (13 miles of which had been opened March 27, 1851) January 6, to Massillon March 11, and to Wooster August 10, 1852; to Mansfield April 8, and to Crestline April 11, 1853. As authorized by its charter this company had the right to construct a road to the Indiana line, but the company determined to stop at the last named point, Crestline, and the remainder of the road in Ohio was built by the Ohio and Indiana Company. The total length of the road belonging to this company was 187 miles, of which 49 miles were in Pennsylvania.

The *Ohio and Indiana Railroad* Company was chartered in Ohio, March 28, 1850, and in Indiana January 15, 1851, and the company organized July 4, 1851. The road was placed under contract January 28, 1852, and construction commenced in the early spring; and the road completed in sections as follows: from Crestline to Forest January 18, to Delphos June 10, and to Fort Wayne November 1, 1854. Length 138 miles—in Ohio 112½, and in Indiana 19½ miles.

The *Fort Wayne and Chicago Railroad* Company was chartered in Illinois February 5 and in Indiana April 8, 1853, and construction commenced in the summer of the same year. The section from Fort Wayne to Columbia, 20 miles, was opened January 28, 1855. Work between Columbia and Plymouth was being prosecuted at the date of the consolidation, but all beyond Plymouth west had been suspended since July 1, 1854. The road was finally completed to Chicago January 1, 1859. Length 147 miles—in Indiana 134, and in Illinois 13 miles.

At consolidation the financial condition of the several companies was as follows:

	Capital.	Bonds.	Floating.	Cost of Ro'd
Pennsylvania and Ohio	$2,651,930	$4,091,000	$398,124	$6,186,068
Ohio and Indiana	1,504,377	1,702 000	341,060	3,432,053
Fort Wayne and Chicago	1,787,484	1,204,000	312,760	1.916,704
Total	$5,942,891	$6,997,000	$1,051,936	$11,534,845

In the process of consolidation the stocks of the several companies were equalized by adding 20 per cent. to that of the Pennsylvania and Ohio, and 6 per cent to that of the Fort Wayne and Chicago. Protests against the consolidation were made by several stockholders of the Pennsylvania Railroad whose stocks, to the amount of $125,350, were paid in cash at par, thereby saving the 20 per cent. preferred by the consolidated company on exchange.

The Fort Wayne Company had assets besides what were represented in the work done, amounting to $1,430,000, which passed to the consolidated company.

At that time the number of locomotives and cars constituting the rolling stock of the several roads was as follows :

	Locomotive Engines.	Cars Passenger.	Cars Freight.	Total.
Pennsylvania and Ohio Railroad	51	55	608	663
Ohio and Indiana Railroad	13	18	245	263
Fort Wayne and Chicago Railroad	6	..	12	12
Total	71	73	865	938

The consolidation of these companies was authorized by the Legislatures of the four States which the line of road traversed, viz.: of Pennsylvania April 16, 1856: of Ohio and Indiana by their general laws, and of Illinois February 28, 1856. The articles of consolidation dated May 6, 1856, were agreed to by the Pennsylvania and Ohio company June 2, by the Ohio and Indiana company June 24, and by the Fort Wayne and Chicago company June 12, of the same year; and the consolidation was perfected August 1, 1856, on which day the new company assumed possession of the joint property.

At the date of consolidation the road was in operation from Alleghany City, Pa., to Columbia, Ind.—338 miles. It was opened to Plymouth November 29, 1856, and to Chicago, January 1, 1859. The bridge over the Alleghany River was completed and, for the first time, trains entered the city of Pittsburg September 27, 1857.

The consolidation secured but one division of its intended purposes—it secured unity of action over the whole line, and thereby reduced expenses. It failed, however to secure the means for the completion of the road, and its appropriate equipment. To forward its plans the company executed a general mortgage of their entire property, January 1, 1857, subject to existing mortgages, for $10,000,000 in 7 per cent bonds; of this amount $3,500,000 were termed construction bonds, and were set aside for the purpose of completing the road into Chicago; and $6,500,000 were termed redemption bonds, and set aside as a timely provision by sale or exchange for the redemption of the current debt. Financial embarrassments, however, had attended the company from the outset and led to various expedients for relief. The coupons due in October, 1857 were not paid, and in the following month the company suspended payment on their floating liabilities. To relieve the position, and to allow the earnings to be applied to the discharge of current liabilities, the bondholders consented to fund the coupons falling due to April, 1859, into 10 per cent five year bonds, dated April 1, 1858; this scheme was only partially carried out, and default was again made on the interest falling due July 1, 1859. Under these circumstances the road was placed in the hands of a receiver, excepting that portion lying in Pennsylvania which had previously been placed in the hands of a sequestrator on the suits of local creditors.

The relief sought by these measures was not attained, and it was soon seen that temporizing would only hasten the impending ruin; to meet these circumstances a plan of reorganization was proposed and adopted by the several parties in interest; this plan provided for the sale of the property and the formation of a new company for which the proper legislation was procured, and to which the road, &c., was to be conveyed by the purchasing trustees, and the several kinds of indebtedness or liabilities of the three original companies to be funded anew.

The property was sold and purchased October 24, 1861, and subsequently conveyed to the re-organized company on the basis of its present constitution. The capital stock was fixed at $6,500,000 and could only be increased by permission of

the bondholders; this was obtained in 1864 (April 7), the issue for 1864 being limited to $3,500,000; the new stock to be applied to construction and equipment.

The war succeeding on the reorganization of the company with its increased travel and traffic brought immediate prosperity to the company. Not only has the company been enabled thereby to pay its coupons regularly, but also to distribute, for the past two years, quarterly dividends of 2½ per cent; But for this turn in the aspect of affairs it is scarcely probable that the replacing of the capital invested in the property could have saved the company from final bankruptcy; thus, war has its compensations as well as its drawbacks, and few other railroads have been better compensated by it than has the Pittsburg, Fort Wayne and Chicago Railway. Nearly seven and a half millions have been expended on it since reorganization and of this amount one-half has been from net earnings after paying coupons and dividends in full.

CHICAGO AND ROCK ISLAND RAILROAD.

The history of this company, brought down to the close of the fiscal year, 1864-5, appears in the last volume of this magazine. The history of the year 1865-6 shows a liberal continuation of the improvements and of the increase of rolling stock, which has been so conspicuous during the last few years. This year is also signalised by the contracts made with the Mississippi and Missouri Railroad Company for the immediate management of their property by the Rock Island Company and the conditional sale and purchase of the same.

These two contracts are dated November 1, 1865, and when consummated and the projects completed, will give this company a continuous line of railroad from Chicago to the Missouri River, with a branch from the main line to Washington, Io. The cost of the Iowa works to the company, as they now stand, is fixed at $5,000,000, which is to be paid in 25 years bonds bearing interest at 7 per cent. The total of such bonds to be issued is $9,000,000, the remainder, after the above is paid, being destined: to complete the road to Des Moines, $1,500,000; to pay off the present mortgage of the Chicago and Rock Island Company, $1,400,000; and, to pay off the bonds of the Mississippi River Bridge, $600,000.

These arrangements were carried out under a decree obtained from the United States District Court at Des Moines, May 12, 1866, which ordered the property of the Mississippi and Missouri Company to be sold at Davenport on June 25 ensuing. The decree forecloses all the mortgages on the road, viz: the first and second mortgages on the first division from Davenport to Iowa City; the first mortgage on the Oskaloosa branch from Muscatine to Washington and the West; and the second land grant mortgage covering the whole road The Court found that there was due upon the several mortgages $7,452,545 34, and entered a decree for that amount. The sum at which the property is to be purchased, as above stated, is $5,500,000, which is to be distributed as follows:

First Mortgage, First Division, and the income bonds given for interest on that mortgage and interest to July 1, 1865	par	
Second Mortgage, First Division	80	per cent
Oskaloosa Mortgage, including income bonds given for interest on that mortgage.	62½	per cent
Land Grant Mortgage, including income bonds given for interest	70	per cent
Second Mortgage, Construction	30	per cent
Stock	16	per cent

These distributions and the expenses of foreclosure will absorb the entire amount of $5,500,000. The Chicago and Rock Island Company, on taking possession, will proceed to extend the road westward to Des Moines and ultimately to the Missouri.

Since the close of the year, the stock of the Chicago and Rock Island Company has been increased by the issue of $2,600,000, which was distributed to the stockholders at 20 per cent of its face in cash. This was equivalent to an extra dividend of 32 per cent on the existing capital.

ST. LOUIS, ALTON AND TERRE HAUTE RAILROAD.

The constituents of the St. Louis, Alton and Terre Haute Railroad are as herewith stated:

Main Line—Terre Haute to Alton.....miles.	178.50
Branch—Wood River Junction (4.04 miles E. Alton) to Illinoistown.....	19.75
do Illinoistown to Bloody Island.....	1.25
Belleville Division—Illinoistown to Belleville.....	14.75
Total length of road.....	208.25

This Company is a re-organization of the Terre Haute, Alton and St. Louis Company, which went into the hands of Trustees December 12, 1859, and so remained until July 1, 1862, when it was transferred to the present Company, re-organized on the basis of $10,600,000, as the cost of the property. This amount is represented as follows:

First mortgage, 7 per cent. bonds.....		$2,200,000
Second do do do.....	$2,800,000	
do do do do (Income) bonds.....	1,700,000	4,500,000
Total mortgage bonds.....		$6,700,000
Seven per cent preferred stock.....	$1,700,000	
Common stock.....	2,200,000	3,900,000
Total stock and bonds.....		$10,600,000

—at which amount the construction account was closed.

The number of engines and cars at the incoming of the existing Company, July 1, 1862, and at the close of the fiscal years 1863-64 and '65 is shown in the following:

	July 1,	Dec. 31—		
	1862.	1863.	1864.	1865.
Locomotives.....	37	38	42	46
Passenger cars, first class.....	25	25	23	25
Second class, baggage, express, &c.....	13	13	14	14
Freight cars—Caboose.....			20	21
do do Box.....	240	340	238	242
do do Compromise.....			81	93
do do Stock.....	60	76	94	92
do do Platform.....	85	102	165	188
do do Coal.....	163	213	319	328
do do Lime.....	..	..	29	29
Total number of cars.....	586	769	963	1,082

It may here be well to state that the improvement and repairs of the road, and the increase of rolling stock, are chargeable to earnings, the construction account being closed.

RESULTS OF OPERATING THE ROAD.

The following is a statement of the earnings, expenses, and profits of the Company since the re-organization:

	6 mos.	Calendar year—		
	1862.	1863.	1864.	1865.
Earnings from passengers.....	$174,026	$511,235	$655,447	$853,961
do do Freight.....	429,659	969,986	1,324,396	1,251,161
do do Mails.....	10,706	21,391	21,396	28,137
do do Expresses.....	7,609	20,479	38,442	44,769
do Miscellaneous.....	10,712	31,923	44,391	62,716
Total earnings.....	$632,712	$1,554,914	$2,084,074	$2,240,744

Ordinary expenses	1,429,604	1,591,270
Net earnings	$654.470	$649,474
Construction	153,703	160,915
Balance to income	$500,767	$488,559

The income account, giving the receipts from all sources and the disbursements on all accounts since the reorganization, shows the following results:

	1862-3. (18 months.)	1864. (12 months.)	1865. (12 months.)
Balance from last account	$37,667 78	$294,228 48	$201,449 42
Gross earnings	2,172,441 87	2,084,074 32	2,240,743 63
Sales of property	29,973 97	.....	.....
Interest, premiums, &c.	10,857 73	.....	.....
Total	$2,250,940 85	$2,378,302 80	$2,442,193 05
Against which are charged:			
Transportation expenses	$1,027,936 48	$1,429,603 79	$1,591,270 11
Permanent improvements	46 .828 33	153,703 79	160,915 14
Coup's nd div. on pref. stock	456,827 64	593,545 80	600,500 00
Sundry payments and expen's	2,209 92	.....	.....
Balance to credit	294,228 48	201,449 42	89,507 80
Total	$2,250,940 85	$2,378,302 80	$2,442,193 05

BALANCE SHEET, JANUARY 1, YEARLY.

The condition of the company, (exclusive of capital account, which is closed,) is shown in the following statement:

	1864.	1865.	1866.
Earnings to date	$2,187,625 34	$4,271,699 66	$6,512,443 29
Accounts current	219.242 07	302,361 23	200,113 12
Sales of real estate	14,790 00	39,0 0 25	43,080 25
Receivers of T. H., A. & St. L. R. R. Co.	37,667 78	37,682 78	37,682 87
Total	$2,459,325 19	$4,650,823 93	$6,793,319 44
Against which are charged—			
Accounts audited to date	$1,485,615 24	$3,068,922 83	$4,821,108 07
Paid charter liabilities	12,149 57	12,490 33	13,495 02
Profit and loss	.....	1,490 97	1,993 91
Accounts current	300,489 84	891,895 79	889,928 87
Bank of North America	661,070 54	205,647 80	.....
First mortgage coupons	Paid by Bank of N. Am.	302,864 75	448,709 75
Second do pref.		338,240 95	517,325 91
do do inc'me		211,207 79	328,941 91
Preferred stock dividends		111,123 67	224,311 00
Sinking fund		25,000 00	37,500 00
Total	$2,459,325 19	$4,650,823 93	$6,793,319 48

GENERAL RESULTS OF OPERATIONS.

The following statement exhibits the gross earnings, the expenditures for operating and improvements and the net revenue for the years 1860–65 both inclusive:

Fiscal Years.	Gross Earn'gs. amount.	Gross Earn'gs. per mile.	Expenditures. amount.	Expenditures. per mile.	Net Rev'e. amount.	Net Rev'e. p. mile.
1860	$860,626	$4,137	$912,654	$4,388	$(loss)	$....
1861	762,997	3,669	602,732	2,899	110,265	770
1862	1,140,271	5,482	756,591	3,637	383,680	1,845
1863	1,554,914	7,475	1,331,761	6,306	422,982	1,169
1864	2,084,474	10,019	1,583,807	7,612	500,767	2,407
1865	2,240,744	10,772	1,752,185	8,424	488,559	2,348

PRICES OF STOCK AT NEW YORK.

The monthly range of prices of the stocks of the St. Louis, Alton and Terre Haute Railroad Company at the New York Stock Exchange for the last three years have been as follows:

	Common Stock—					Preferred Stock—				
	1863.		1864.		1865.	1863.		1864.		1865.
Jan	30 @42	57	@64	40	@43	50 @71½	68½	@ 77	65½	@70
Feb	31½ @37	62	@73½	..	@..	68½ @72	77	@ 92	60	@70
March	29 @35	70¼	@90	25	@35	65 @69¼	87¼	@101¼	55	@70
April	31 @42½	65	@88½	25	@46	57¼ @71¾	88½	@103	60	@73
May	42½ @59	58	@67	35¼	@38	72 @90	72¼	@ 82	..	@..
June	41½ @51¾	61	@69	30	@35	66¼ @84	76	@ 82½	94	@94
July	41 @68½	58	@65	30	@36	69¼ @85	71	@ 79	60	@60
Aug	55 @67¾	59	@65	33	@36	82½ @88	77	@ 78	60	@63
Sept	55 @64½	51	@57½	36	@38½	75 @86	65	@ 92	63	@67½
Oct	59 @66	47	@57	35	@38¾	83 @90	60	@ 74½	65	@71¾
Nov	55 @65	51	@57	38½	@53	75 @82½	71	@ 76	71	@82
Dec	43 @65	46	@55	42	@44¼	70 @78	70	@ 75¼	70	@71
Year	29 @68¾	46	@90	25	@53	50 @90	60	@101	55	@94

The company by which this road was constructed was incorporated under a special charter granted by the Legislature of Illinois, in an act passed Jan. 28, 1851, and in conformity with the provisions of the general law of Nov. 5, 1849. The *Terre Haute and Alton Railroad Company*, as it was originally called, was authorized to construct the road from the Indiana line west to Alton, on the Mississippi, and, with the assent of the Indiana Legislature, to extend it east to Terre Haute. Such authority was granted by the Legislature of the latter State by an act passed Feb. 11, 1851. The capital stock of the company was fixed at $2,000,000, and the company were also authorized to borrow money on bonds, to bear interest not exceeding 8 per centum. Other acts were subsequently passed—one Feb. 12, 1853, authorizing an increase of the capital to $4,000,000; another, Feb. 28, 1854, authorizing the construction of a branch from Paris, in a northwesterly direction, to the Indiana line, with power to take stock in any Indiana road with which such branch might be made to connect; and a third Feb. 14, 1855, which authorized a connecting road between the Terre Haute and Alton Railroad and the Chicago and Mississippi Railroad, and the leasing or purchase of the Bellevidere and Illinoistown Railroad, etc. The above laws, together with the general law of 1849, present the chief legal points connected with the affairs of this company. The charters of Illinois and Indiana required, as a preliminary to organization, a subscription of $500,000 to the capital. To obtain this, the city of Alton and the counties through which the road was to pass, were appealed to, and responded with alacrity by liberal subscriptions; and the requisite amount having been obtained, the organization of the company was perfected in April, 1852. Immediately, therefore, the entire line of 178 miles was let to contract, to be completed by May, 1855, for $3,000,000, seven-eighths in cash, and the remainder in stocks and bonds. The work of construction was commenced within the ensuing month, and by the end of the first fiscal year, June 1, 1853, the grading, masonry and bridging upon 98 miles had been completed, viz., from Alton to Hardinsburg, 38 miles, and from Terre Haute to the Chicago Branch of the Illinois Central Railroad, at a cost of $455,049, and the iron, chairs, spikes, etc., for the entire length of the road purchased, and 9,000 tons delivered. The total costs of labor and materials had been $1,788,549, and at this time the sum required to complete the road, 98 miles, was estimated at only $390,000. The remaining portion of the line between Hardinsburg and the Chicago Branch was about to be finally located. The means employed to forward the work were a call of 30 per cent. on the capital stock and an issue of bonds, and credits furnished by the contractors. Other bonds had been prepared, but were not yet brought into the market for special reasons—one, and the most important of which, was the determination of certain parties to construct a parallel line from Terre Haute to St. Louis. This project, however, was negatived by the Legislature six different times, and ultimately died a natural death.

The resources of the company at this time consisted of subscriptions.....	$2,025,000
Seven per cent. mortgage bonds negotiated in the purchases of rails.	1,000,000
And 8 per cent. mortgage bonds to be issued.....	1,000,000
Total	$4,025,000

These two mortgages were secured on the whole line and equipment, and were convertible into stock. The second annual report of the company brings matters down to Jan. 1st, 1855. At this time the branch of the Bellville and Illinoistown Railroad was being constructed between Illinoistown and Alton. The new road, indeed, was expected to be completed simultaniously with the Terre Haute and Alton Railroad. The condition of the Terre Haute and Alton line was this: there were in actual operation 82 miles, viz: from Terre Haute westward about 45 miles, and from Alton eastward about 37 miles. The rails have been laid beyond those points, and parties were actively engaged in laying down the track, with a view of completing the road to the two junctions of the Illinois Central Railroad, from each end of the line, at the earliest practicable day. The line between Alton and Illinoistown was looked upon as a most promising adjunct to the Terre Haute line, and its only mode of access to St. Louis. The equipment owned by the Terre Haute company at this time consisted of nine locomotives, ten passenger cars, and 198 freight cars. The financial condition of the company showed the capital stock at $2,948,950, of which $2,281,420 had been paid in, and of the bonds $1,256,000 of the $2,000,000 provided had been issued. This left $662,530 stock, and $744,000 bonds for future use. But besides this a million more was required, which was obtained by increasing the amount of the second mortgage. During the year 1855 the road was opened from Grand River to Mattoon, 28 miles, and from Litchfield to Pana, 39 miles. On the 10th of March, 1856, the whole line was so far completed as to admit of the passage of a daily train, and on the 1st of April, succeeding, one freight and two passenger trains were placed upon the road. The results of the partial operation of the line from the 13th of November, 1854, to March 1, 1856, show the gross earnings to have been $168,345.97, and the operating expenses $81,964.67, or about 50 per cent. The sums thus realized were expended upon the road as earned and included in the construction account. Shortly after this date the contractors surrendered the road to the company in its unfinished state, and agreed that the cost to final completion should be deducted from the contract price.

The Belleville and Illinoistown Railroad before mentioned was incorporated under an act of the Illinois Legislature, passed Jan. 21, 1852, for the construction of a road from Bellville 15 miles to Illinois opposite St. Louis. This was completed in the Fall of 1854. Under a clause of this charter the road was extended from Illinoistown to Wood River Junction, a point on the Terre Haute and Alton Railroad 4¼ miles east of Alton, and opened in October, 1856. The great importance of this connection to the main line in furnishing an outlet for its business to St. Louis induced this company to acquire a controlling interest in the stock of the Belleville company. The extension formed part of the through line from Terre Haute to St. Louis, and was operated wholly as such from the commencement of its through business; while the lower portion, or Belleville Division, relied upon its coal and local traffic. On the 3d of October, 1856, a consolidation was effected between the companies thus so intimately connected in business, and thence; after the consolidation was known as the *Terre Haute, Alton and St. Louis Railroad Company*, which owned, besides the railroad, a large body of coal lands on the Belleville line, the St. Louis Ferry franchise, and privileges in St. Louis of large prospective value. The stocks and funded debts of the consolidation were as follows:

Terre Haute and Alton stock	$2,672,050
Belleville and Illinoistown stock	498,750
Total stock	$3,170,800
Terre Haute and Alton 1st mort. 7 per cent. bonds	$1,000,000
do do do 2d do 8 do do	2,000,000
Belleville and Illinoistown 1s mort. 7 per cent bonds	600,000
do do 2d do 7 do do	500,000
Total bonds	$4,100,000

—making a total of stock and bonds representing the capital of the consolidation $7,270,800, or $35,000 per mile of road only partially balasted, and by no means in good running order. This cost largely exceeded the original estimates, and yet the road could not be worked in its then present condition with economy. Hitherto, indeed, all the net earnings had gone into construction, and the same state of matters certain to continue unless additional resources could be called into requisition. With the view, therefore, to the proper finishing and equipping the line, and thus enable it to earn and pay dividends, the directors concluded to issue $500,000 in 10 per cent bonds, which were taken by the stockholders, who paid therefor one-half in cash and the remainder in interest bonds. This brought partial relief to the company and supplied some of their more pressing necessities. The first report of the consolidated company embraces the ten months to December 31, 1856.

During this period the gross earnings had been	$662,860
And the operating expenses	330,520
Leaving a balance of	332,340

—all of which was expended in construction. The general account remained nearly as in the previous M rch, only with the addition of the new bonds. The property was set down at $7,596,716. The next report of the company brings down its affairs to May 1, 1858, and covers sixteen months. The period had been disastrous, and the result a large increase of debt and unpaid coupons, interest, &c. The net floating debt amounted to $777,922. The road and rolling stock had also become dilapidated, and considerable expenditures would be necessary to make the road safe, even for travel. The annual interest to be provided for was now $368,525, while the net earnings from which the payment was to be made had been in the sixteen months only $175,858. The final result might now be foretold, and bankruptcy was imminent.

In this year, the income of the company was increased by $66,000, that amount having been agreed upon for the use of its track between Alton and St. Louis by the St. Louis, Alton, and Chicago Railroad.

The next document issued on the part of the company was a circular dated New York, February 1, 1859. This exhibited the operating accounts for the fourteen months ending December 31, 1858, and the condition of the company at that date. No improvement was in either. Of $42,066 earnings, only $64,503 was available for interest, and $284,449 was due and unpaid on the coupon account. In the mean time, repairs were becoming more and more urgent, and it was impossible to raise more money on credit. In June, a new directory was elected, who, on taking possession, found affairs in inextricable confusion. At a meeting of the bondholders in September, the whole matter was placed before them. The result of the consultations at this meeting was a series of resolutions directing the appointment of a committee of eight members. This committee reported in October, and the following general plan of relief was submitted :

The immediate surrender of the property to the trustees under the second mort-

gage—the property to be sold and the company to be reorganized on the following basis:

The first mortgages to remain intact, but one year's interest beyond the current coupons to be deferred until 1861-1862.

The second mortgage bonds to be exchanged for new bonds maturing 1892, and the new bonds to be given for the coupons up to March, 1862, and the holders to advance on the new bonds ten per cent. in cash.

The third and fourth mortgage bondholders to convert their holdings into preferred stock at par, upon condition of advancing ten per cent. as above.

The general creditors to be made preferred stockholders on the same terms.

Stockholders to receive 44 per cent. in new stock.

This plan was subsequently adopted in all material points. The principle alteration was in allowing 50 instead of 40 per cent. to the stockholders.

The trustees and receivers took possession of the property Dec. 12, 1859, and conducted the affairs of the company until June 30, 1862; and on the next day the new company reorganized under the title of the *St Louis, Alton, and Terre Haute* Railroad Company, came into existence, with property represented by the following bonds and stocks:

First mortgage, 7 per cent. bonds	$2,200,000
Second " " " preferred	2,800,000
Second " " " income	1,700,000
Preferred stock, 7 per cent	1,700,000
Common stock	2,200,000
Total representing cost of property	$10,600,000

Hitherto the great drawback against the success of the companies that had held the road, had been the fact that the road had never been finished and equipped sufficiently to secure its economical working. In endeavors to complete the works and provide rolling stock for the business, offering the earnings, had been diverted from their legitimate objects and the credit of the companies involved, terminating in ruin and repudiation, and eventually in bankruptcy and reorganization. Nor did the reorganization wholly overcome these great obstacles to success, and still, though the property had, during the receivership, been greatly improved, much remained to be done before the works could be pronounced complete. The estimate of moneys required for this purpose was about $800,000. The amount expended on construction and equipment account, from July 1, 1862, to Jan. 1, 1864, was $469,828; in 1864, $153,703, and in 1865, $160,915, or a total in the three and a-half years from reorganization of $784,446, all of which was derived from income. These expenses will probably be extended into the future; but as the earnings of the road have already become considerable, it is not improbable that at a not far distant date, the stock of the company will share in the profits. No default has been made in the bonds or preferred stock since the resumption under the auspices of the new company.

LEHIGH COAL AND NAVIGATION COMPANY.

In the following analysis the railroad and canal accounts of the company are consolidated. Their property is as follows:

Canal—Easton to head of navigation on the Lehigh River, two miles above Mauch Chunk			49 miles.
Railroad-Easton to Wilkesbarre, 91 miles	open	86 miles.	
do Branch	13 miles	0 do	
do Leased road		6 do	94 do

The company own in connection with their canal 354 boats, and there are owned and run by other parties 1,036 boats.

The railroad equipment owned consists of—11 engines, 44 freight and 819 coal cars, rated as 8-wheel cars.

Connected with the mines there are also about 50 miles of railroad used specially for mining purposes.

The freight of all kinds (tons) carried on the canal yearly, has been as follows, viz.:

Year.	Asc'ding.	Desc'ding.	Total.	Year.	Asc'ding.	Desc'ding.	Total.
1856	138,965	1,343,921	1,482,886	1861	84,987	1,060,893	1,145,880
1857	98,580	1,042,070	1,140,650	1862	108,566	443,233	551,818
1858	91,786	1,034,974	1,126,760	1863	122,521	739,163	861,683
1859	116,7 4	1,190,874	1,307,118	1864	145,677	800,589	946,216
1860	129,606	1,208,767	1,338,375	1865	133,552	914,086	1,047,638

Previous to 1864 the railroad business was not given separately. The railroad, indeed, had hitherto been considered merely as an accessory to the canal and was nearly altogether out of use from the period of the great flood of 1862 to June, 1864, at which date the Penn Haven and White Haven Branch of the Lehigh Valley Railroad also was brought into operation. In June, 1865, that part of the Lehigh and Susquehanna Railroad between the Hazleton Railroad and the head of the canal, about six miles, was opened to trade in connection with it. The company are now constructing, or perhaps have completed, an independent road between Penn Haven and White Haven.

OPERATIONS OF THE COMPANY YEARLY.

The following shows the tonnage carried on the railroad between White Haven and Wilkesbarre since the reopening of the road:

	1864 (½ year.)			1865 (full year.)		
	Going north.	Going south.	Total tons.	Going north.	Going south.	Total tons.
Coal	18,195	94,980	113,175	85,428	251,986	337,444
Lumber	247	9,987	10,234	4,282	15,127	19,409
Cork wood & bark	....	....	..	...	66	66
Lime and limestone	....	....	....	102	....	102
Oth. stone, plast'r&c	....	....	....	40	364	404
Merchandise	571	135	706	232	24	256
Total tons	19,013	105,102	124,115	90,284	267,547	357,781
Passengers carried		18,556				26,333

The coal going north was transported from the planes to the Wyoming Canal.

The shipments of coal from Mauch Chunk, East Mauch Chunk, Penn, Haven, Lockport, and White Haven, by canal, with the distribution thereof for the years ending December 31, 1858-65, both inclusive, have been as follows:

Fiscal Years.	Tons Coals Shipped.	Distributed thus— cons. on the line.	Passed into— Mor's C.	Passed into— D. Div. C.	Die'n from Del. Div. C.— cons. on the line.	Die'n from Del. Div. C.— ent'd D. Div. C.	Die'n from Del. Div. C.— reached Bristol.
1858	908,999	114,537	281,950	512,512	54,888	164,149	293,475
1859	1,050,659	268,779	255,404	600,506	41,342	301,419	268,745
1860	1,091,032	174,626	277,083	639,323	36,774	3 1,816	260,735
1861	994,705	139,875	272,728	582,102	26,171	267,347	288,584
1862	396,227	72,594	106,431	217,201	13,400	97,410	106,392
1863	699,557	114,164	208,396	376,996	24,419	196,559	150,016
1864	758,487	96,038	194,096	470,952	27,426	241,291	202,325
1865	888,784	82,235	217,813	588,736	28,930	299,067	160,739

INCOME ACCOUNT. EARNINGS, EXPENSES, ETC.

Year ending Dec. 31.	Rents and sales of R. Estate.	Coal sold and Mine rents.	Canal tolls, less collection.	Profits on Railroad.	Total receipts.
1856	$27,142	$137,889	$499,626	$.....	$664,657
1857	30,031	81,787	481,472	.....	593,290
1858	24,053	105,592	466,212	.....	595,857
1859	31,616	186,609	454,463	.....	672,688
1860	73,589	198,611	481,118	.....	753,318
1861	18,514	107,626	402,106	.....	528,246
1862	26,159	89,112	165,457	.....	307,347
1863	25,880	759,680	346,729	20,405	1,152,694
1864	25,300	960,325	497,820	47,610	*1,568,582
1865	11,789	594,748	612,803	170,797	1,389,137

Against which are charged as follows, viz:

	State tax on stock.	Bal. of int. account.	Repairs and improvmts.	Divds and U. S. tax.	Balance to credit.
1856	$7,440	$175,019	$237,176	$148,744	$296,278
1857	7,440	154,278	127,126	148,794	156,019
1858	7,440	159,795	84,758	148,794	195,071
1859	7,440	151,847	97,768	148,974	266,844
1860	7,440	134,188	83,091	148,797	379,855
1861	7,440	112,795	81,079	148,797	278,125
1862	7,440	116,047	583,792	148,797	[*def.* 648,726]
1 63	7,440	121,670	229,057	148,797	645,730
1864	17,132	119,928	101,245	357,881	964,397
1865	23,467	189,145	105,635	542,272	519,618

CAPITAL ACCOUNT—GENERAL LEDGER.

The financial condition of the company at the close of the fiscal year 1856 to 1865, both inclusive, is shown in the following statements:

	Stock Capital.	Funded Debt—Mortgage.	Funded Debt—Plain.	Floating debt.	Interest and divid'ds unpaid.	Profits and Loss.	Total Liabilities.
1856	$2,479,700	$829,422	$3,091,498	$322,512	$57,837	$2,548,964	$9,329,933
1857	2,479,900	829,222	3,091,498	286,202	59,258	2,704,983	9,451,063
1858	2,479,900	829,222	2,790,082	231,531	60,367	2,900,054	9,291,156
1859	2,479,950	829,172	2,790,082	265,823	60,271	3,166,898	9,592,196
1860	2,479,950	628,789	2,790,082	303,927	56,481	3,546,703	9,803,932
1861	2,479,950	.....	2,788,182	352,608	62,121	3,824,538	9,406,699
1862	2,479,950	.....	2,788,182	725,181	64,327	3,175,110	9,233,750
1863	2,479,950	.....	2,786,682	453,293	61,745	3,821,840	9,603,510
1864	4,282,950†	.....	2,846,882	1,200,321	67,530	3,983,237	11,380,920
1865	6,091,700	.....	3,081,434	1,256,497	64,833	3,502,854	13,997,318

Against which are charged property and assets as follows, viz.:

	Canal and river works.	Lehigh and Susq. RR.	Real estate, lands, &c.	Movable effects.	Contingent fund.	Cash on hand.	Total property, &c.
1856	$4,455,000	$1,380,000	$1,406,654	$1,074,296	$968,087	$45,966	$9,329,963
1857	4,455,000	1,380,000	1,428,971	1,179,284	957,191	50,669	9,451,063
1858	4,455,000	1,380,000	1,453,273	942,339	963,139	77,405	9,291,156
1859	4,455,000	1,380,000	1,453 789	1,071,490	1,210,254	21,663	9,592,196
1860	4,455,000	1,380,000	1,452,965	1,132,462	1,335,033	49,067	9,803,932
1861	4,455,000	1,380,000	1,522,473	1,082,002	913,069	47,155	9,406,699
1862	4,455,000	1,380,000	1,619,366	900,841	795,647	82.896	9,233,750
1863	4,455,000	1,389,988	1,729,852	1,235,526	680,372	112,772	9,603,510
1864	4,455,000	1,917,895	2,072,985	2,128,112	640,952	165,976	11,380,920
1865	4,455,000	3,127,708	2,037,090	2,907,157	680,247	790,116	13,997,318

The column headed "Real estate, lands, &c." represents real estate, coal mines and other lands, mine railroads, &c., and the works at Philadelphia, &c.

The column "Movable effects," aggregates debts due, bills receivable, bonds and mortgages, &c.

The column "Contingent Fund," consists of securities specially pledged for the payment at maturity of the loan of 1870, &c.

The "Funded Debt" is now constituted as follows, viz.:

6 per cent. loan, due March 1, 1870	$414,157
6 per cent. loan, due April 1, 1884	2,667,276

—the latter being a refunding of the original loan of 1870, anticipated in 1864.

The Lehigh Coal and Navigation Company, a consolidation of the Lehigh Coal and the Lehigh Navigation Companies, was organized May 1, 1821. As early as 1792 a company had been incorporated for the purpose of coal mining on the Lehigh. This Company had made some improvements in the river, but eventually abandoned the whole enterprise on account of the great cost of getting their coal to the seaboard. In 1818 a new company was formed with a capital of $55 000 for the improvement of the navigation of the Lehigh, so as to allow the passage of boats laden with coal. The amount sent to market in 1820, which year may be regarded as the commencement of the authracite trade, was 365 tons. The coal was floated down in rude

boats or arks which were broken up on reaching Philadelphia. In 1823 the stock of the Company was increased to $500,000, and the river rendered navigable for 16 miles above Mauch Chunk. This improvement was mainly for the purpose of realizing valuable forests of pine. In 1827, the Mauch Chunk (Gravity) Railroad, the second railroad in the United States, was completed and commenced bringing coal to the river. In this year, the State having determined upon the construction of the Deleware Division of the Pennsylvania canals, the Company commenced the construction of a slack-water navigation with an available depth of five feet. This involved a succession of locks and dams which were completed in 1829. Other improvements were subsequently made, in all constituting a navigation from Wright's Creek to the Delaware River 72.27 miles in length, and a clearance of the river above Wrights' Creek to Stoddardsville so as to permit of a descending navigation 12.30 miles in length. As finally completed the navigation was constituted as follows;

Kinds of Navigation.	Length in miles.	No. of l'ks.	No. of dams.	Size of Canals.	Size of Locks.	Lift of Locks.	Height of dams.	Total Rise,
Slackwater — Delaware River to Mauch Chunk ..	10.00 pools 34.58 canals 1.64 locks	46	8	60@5 ft top 45 ft bottom 5 ft deep	22 feet by 100 feet	6 feet to 18 feet	8 feet to 19 feet	360.87 ft
Slackwater—Mauch Chunk to Wright s Creek	20.53 pools 4.67 canals 5i.85 locks	29	20	60 feet top 40 ft bottom 5 ft deep	22 feet by 100 feet	10 feet to 80 feet	16 feet to 68 feet	509.83 ft
Channels: descend naviga —Wright's Cr. to Stoddardsv.	12.30	3	3	18 in. deep	22 feet by 100 feet	3 feet to 4 feet	6 feet to 18 feet	336.00 ft
Total.....	84.57	78	31					1,296.70 ft

In 1831 the Gravity Railroad to Room Run mines, and in 1835 the extension of the works of the Company to the Beaver Meadow Region, were commenced. These were completed in 1838. The Lehigh and Susquehanna Railroad was commenced in 1837 and completed in 1840. Up to 1841 the company had been prosperous and paid dividends yearly. In that year their works were greatly injured by freshets. The cost of repairing them and improving the canal involved the Company in embarrassement which resulted in 1842 in bankruptcy, when the property was placed in trust for the benefit of the creditors. The principal provision of the deed was that no dividends should be paid so long as the principal or interest of any of the loans of the Company were due and unpaid, and in no case were these to exceed six per cent—any balance remaining to be held as a sinking fund for the redemption of the loans not due. No dividends were paid from Jan. 1840 to July, 1852 a period of twelve years, but the affairs of the Company had been gradually improving and in the latter year a six per cent dividend was paid. This rate was continued to 1863. In the next year 8 per cent was paid, and in 1865, 10 per cent.

The destructive freshets which have visited the Lehigh Valley at different times, sweeping away every dam constructed by the company, have proved it to be an almost physical impossibility to maintain a constant navigation. Such a freshet occurred in 1863, and almost totally destroyed the entire works. Moreover, the navigation, at best, is open only a part of the year, being closed through the long winter. Fortunately, the railroad has superseded the canal, so that what was formerly a necessity is now acknowledged to be so no longer, and a railroad alone is now competent to do the business of the country. With the view of making the change indicated, the company have been authorized by the Legislature to construct a line from the Delaware to Whitehaven. This has been commenced and partially completed. The Beaver Meadow Railroad has also been taken by the company by consolidation. The new road will start from Phillipsburg, N. J., crossing the Delaware by an iron bridge

(already nearly completed) immediately above the bridge of the Lehigh Valley Railroad. On reaching the Pennsylvania side, after a pretty heavy cut, the line will strike the Lehigh, crossing up the opposite side within the borough of Easton. At Bethlehem and Allentown the company have authority to build bridges with branch lines to the western shore. The main stem will continue to follow the eastern margin of the river to a point one mile below Mauch Chunk, where it will cross over to the opposite bank and pass through that borough. About a mile and a half higher up it will recross to the eastern side, which it will continue to follow, most of the way, to Whitehaven. For short distances, the Lehigh Valley Railroad will run alongside the railroad of this company on the same bank, only on different elevations. For the present, the company are constructing but a single track and sidings. The design, however, is to follow this by a second track at an early day, when labor and materials become cheaper. Probably the single track will be open by the close of this year's navigation. The graduation is favorable, the steepest gradient below Mauch Chunk being under 25 feet, and from that place to Whitehaven not exceeding 32 feet to the mile. The curves are frequent and steep, especially in the neighborhood of Mauch Chunk and Allentown, where the river describes a series of loops, which must, however, be followed by any railroad entering the coal region through that route. At Whitehaven the new line will connect with the Lehigh and Susquehanna Railroad, the original road built by the company, and which will continue the line to Wilkesbarre on the Susquehanna. The quantity of coal now seeking markets by this route exceeds 62,000 tons a week, and it is estimated that this amount will be doubled when the works now being constructed are complete. If such be the result, a magnificent business is in prospect, both for the road and canal of this company, and also for the Lehigh Valley Railroad. To receive this tonnage there are now open three lines of railroad in New Jersey, besides the Delaware and Raritan and the Morris Canals, all terminating in New York waters.

CUMBERLAND VALLEY RAILROAD, (PA).

The Cumberland Valley Railroad consists of the original Cumberland Valley Railroad and the Franklin Railroad which were consolidated on May 31, 1865. The length of the constituents are as follows:

Cumberland Valley Railroad, Bridgeport to Chambersburg	
Franklin Railroad, Chambersburg to Hagerstown	
Total length of road	
Length of sidings	

This is almost entirely a local road, having no branches or connections, except at the eastern end, where it connects with the Harrisburg and Lancaster Railroad. It is, however, of great importance to the country it traverses, which is becoming substantially developed and wealthy. Eventually, it will be connected at Hagerstown, Md., with the Western Maryland Railroad and the Metropolitan, the first named road being nearly completed to the point of junction. The principal products on the line of the road and the chief materials of freight are coal, iron, and iron ores, lime and other stone, agricultural products, live stock, lumber, &c., &c. The equipment of the road has been largely increased, and at the close of each of the last three years was as follows:

	1863-3.	1863-4	1864-5.
Locomotive engines	12	12	14
Passenger cars	8	9	12
Baggage, Mail, and Express cars	4	4	5
Freight cars	79	92	100

The following shows the number of miles run by engines hauling trains and the number of passengers and tons of freight carried in the same years:

	1862-3.	1863-4.	1864-5.
Mileage of engines	164,712	173,001	175,889
Passengers	256,926	309,950	396,914
Tons of freight	106,723	144,390	123,781

ACCOUNTS CURRENT—OPERATING AND INCOME.

The gross earnings, operating expenses, and profits from operations for the ten years ending September 30, 1865, are shown in the following statement:

Fiscal Year.	Gross earnings— Pass'r.	Freight.	Mail	Total.	Operating expenses.	Profits from op.
1855-56	$63,752	$90,805	$5,200	$159,757	$80,662	$79,095
1856-57	68,618	114,321	5,200	188,134	88,868	99,266
1857-58	61,775	88,649	5,200	155,624	79,271	76,353
1858-59	67,886	96,100	5,200	169,126	62,049	107,077
1859-60	70,177	107,296	5,200	182,673	65,851	116,822
1860-61	115,433	129,145	5,200	249,778	90,247	159,531
1861-62	90,315	144,252	5,200	239,767	90,132	149,635
1862-63	125,222	124,943	5,200	255,365	158,044	97,321
1863-64	185,646	154,604	5,200	345,450	201,052	144,398
1864-65	215,137	183,280	5,200	403,983	320,031	83,052

The receipts of the company from all sources, including balances in cash and accounts for the same years, were as follows:

Fiscal years.	Balance last year.	Receipts— C. Val. R. R.	Franklin R. R.	Stock issued.	Other securit's.	Total Amount
1855-56	$31,221	$159,757	.....	$33,800	$18,636	$243,410
1856-57	50,753	188,134	.....	9,100	4,933	252,920
1857-58	45,702	155,624	.....	.....	2,291	203,617
1858-59	51,888	169,126	.....	.....	3,489	224,498
1859-60	59,664	182,673	$6,251	.....	3,673	252,261
1860-61	56,893	249,778	16,816	.....	1,661	3 4,648
1861-62	121,742	239,767	34,210	.....	750	396,469
1862-63	69,377	255,365	37,752	.....	557	363,051
1863-64	89,396	345,450	48,401	.....	1,102	484,349
1864-65	161,101	441,620	17,503	.....	2,588	622,812

Against which are charged as follows, viz.:

Fiscal years.	Ord'y expenses— C. Val. R. R.	Franklin R. R.	Extra-ordinary expen's.	Interest and divid's.	Sinking Fund.	Other Disbursements.	Cash, &c., balances
1855-56	$80,662	.....	$51,609	$57,132	.....	$3,254	$50,753
1856-57	88,864	.....	47,684	70,666	.....	.....	45,702
1857-58	70,182	.....	9,089	72,463	.....	.....	51,883
1858-59	62,049	.....	16,348	86,437	.....	.....	59,664
1859-60	65,351	$3,119	4,950	86,412	$33,861	1,674	56,393
1860-61	90,247	13,366	5,273	87,356	6,462	.....	121,744
1861-62	90,132	19,177	.....	167,782	50,000	190	69,377
1862-63	158 044	17,436	.....	91,529	6,455	.....	89,396
1863-64	201,052	16,184	.....	64,579	21,468	.....	161,101
1864-65	320,931	12,546	.....	107,626	20,084	.....	161,615

GENERAL STATEMENT—ANNUAL BALANCE SHEET.

The balances at the close of each fiscal year, showing the financial condition of the company for the time being, have been as follows:

Fiscal years.	Capital stock.	Funded debt.	Div. & int. accrued.	Sundry accounts.	Profit & loss.	Total amount.
1855-56	$1,218,200	$	$33,251	$6,610	$18,937	$1,277,098
1856-57	1,149,400	78,000	38,462	12,641	7,178	1,285,552
1857-58	1,013,900	213,700	42,342	5,470	17,114	1,292,326
1858-59	981,900	245,500	42,743	3,080	25,971	1,299,194
1859-60	956,900	270,500	43,865	4,494	20,810	1,296,569
1860-61	956,900	270,500	46,096	6,666	18,757	1,298,919
1861-62	956,900	270,500	46,096	10,449	100,511	1,384,456
1862-63	956,900	270,500	46,096	18,486	97,475	1,389,457
1863-64	956,900	378,600	49,389	12,118	225,986	1,622,993
1864-65	1,316,900	470,500	49,389	2,128	263,529	2,102,396

Against which the following charges appear, viz:

Fiscal years.	Road and equipment.	Materials on hand.	Sinking fund.	Balances of accts.	Cash & cash assets.	Total amount.
1855-56	$1,215,642	$10,708	$.....	$.....	$50,753	$1,277,098
1856-57	1,226,675	12,005	.....	.....	44,477	1,285,682
1857-58	1,236,675	12,468	.....	.....	53,183	1,292,326
1858-59	1,225,978	12,258	.....	.....	60,061	1,299,194
1859-60	1,192,111	12,904	33,861	.....	57,693	1,296,569
1860-61	1,126,574	15,770	99,398	4,311	62,866	1,308,919
1861-62	1,128,687	36,994	149,798	5,781	63,595	1,384,456
1862-63	1,131,037	13,171	155,853	20,658	68,538	1,389,457
1863-64	1,131,037	45,385	285,416	7,388	152,718	1,622,988
1864-65	1,582,937	52,344	305,500	8,557	153,057	2,102,396

The *capital stock* is of three series, viz.:

	1860-64.	1865.
First preferred stock, claiming 8 per cent	$241,900	$241,900
Second " " "	215,000	243,000
Common stock	472,000	832,000

—and the *funded debt* as follows:

	1860-63.	1864.	1865.
First mortgage 6 per cent. bonds	$161,000	$161,000	$161,000
Second " " "	109,500	109,500	109,500
Six per cent. bonds (exchanged for Franklin R. R. 7s)	.....	108,100	108,100
Seven per cent. bonds (Franklin R.R.)	.....	.....	91,900

The account for 1865 includes the Franklin Railroad stock, $360,000, and Franklin Railroad 7 per cent. bonds, 820,000, of which $108,100 were purchased in 1864 with Cumberland Valley Railroad 6 per cent. bonds.

PROPORTIONAL DEDUCTIONS.

The following statement shows the cost of the property and the yearly gross earnings, expense and net earnings per mile of road, with the rate of expenses to earnings and of net earnings to cost of property, and the dividend on the common stock, 8 per cent. having always been paid on the preferred stocks:

Years closing Sept. 30.	Cost of property per mile.	Amount per mile— Gross earnings.	Opera'g expen's.	Earn'gs less exps.	Expen's to gross earn'gs.	Profits to cost of road.	Divi'ds on com. stock.
1856	$23,977	$3,073	$1,551	$1,521	50.49	6 51	*nil.*
1857	23,590	3,618	1,709	1,909	47.24	8.09	"
1858	23,590	2,992	1,349	1,643	45.09	6.96	"
1859	23,575	3,252	1,193	2.059	36.69	7.73	"
1860	22,125	3,513	1,266	2,247	36.04	9.81	6
1861	21,665	4,803	1,735	3,068	35.73	14.16	6
1862	21,705	4,612	1,733	2,879	37.61	13.27	6
1863	21,751	4,911	3,039	1,872	62.02	8.61	6
1864	21,751	6,643	3,867	2,776	58.21	12.78	6
1865	21,751	8,473	6,173	2,301	72.84	10.59	8

The Cumberland Valley Railroad Company was chartered by the legislature of Pennsylvania by an act passed April 2, 1821. Construction was commenced early in 1836 and the road completed from the Susquehanna River to Chambersburg in 1837. On the 2d of February, 1846 another act was passed which empowered the Company to construct a bridge across the Susquehanna and extend the road though Harrisburg to the Pennsylvania Canal and also to connect with the Harrisburg and Lancaster and other railroads diverging from Harrisburg. This bridge is about 4,500 feet long. The road thus constructed was not remunerative its receipts being scarcely sufficient to pay the expenses on a debt of about $275,000 which had been applied to construction, and to which was to be added the debt created on account of the bridge and extensions, making the entire debt $428,250. The stock at this time was $472,000. In 1849 it was resolved to re construct the road and iron it with heavy (50 in) T. rail for which purposes an act had been passed February 15, 1848. This required a thorough reorganization of the company, and in effecting this the creditors advanced about $400,000 for the improvement and exchanged the debt for eight per cent preferred stock. The original stock was pre-

served at its nominal amount. The work was commenced and completed during the year 1849-50, and at the close of that year the cost was stated at $1,212,912, represented by stock $1,184,500 viz.: 1st pref. $360,000, 2d preferred $352,500 and common $472,000, and debt $28,412. By an act passed in 1856 authority was given to convert the preferred stock into 8 per cent bonds, which were taken to the extent of $270,500 subsequent improvements and additional equipment have been mainly paid from earnings and the capital account stands at this time materially as at the close of 1850. The Franklin Railroad extending from Chambersburg to Hagerstown has been operated by the Cumberland Valley Company since its re-construction in 1860 and with the profit Company. On the 16th May, 1861, an act was obtained for the consolidation of the two companies which was not, however, carried into effect until May 31, 1865, since which date no separate operating accounts have been kept. The receipts on account of the Franklin in the statements given above show only the share of them coming to the Cumberland Valley Company being about one half. During the five years the road was operated under lease the receipts were $160,933 and the expenses $81,778, leaving a net profit of $79,155. Probably no other local road in the country is doing so well as this which now pays 8 per cent on all its stocks and bonds and holds a large sinking fund and surplus.

CHESAPEAKE AND DELAWARE CANAL.

This work, though of short extent, is nevertheless one of the most important, and also one of the first canals constructed in the United States. The near approach of the two great indentations of the Atlantic coast, forming the Chesapeake and Delaware Bays, naturally suggested their connection by artificial means for commercial purposes, as well as for the maintenance of internal communication in time of war. So early as 1808 careful surveys had been made to ascertain the feasibility of the work; but it was not until 1824 that construction was commenced. The canal was completed and formally inaugurated in 1829.

The canal* as it now exists, extends across the neck of the Delaware Peninsula, entering the Delaware at Delaware City, 42 miles below Philadelphia, and the Chesapeake through Back Creek—a tributary of Elk River, a stream which enters Chesapeake Bay a few miles below the confluence of the Susquehanna River. Its length is 13.68 miles. In this short distance, however, many obstacles had to be overcome, which greatly increased its cost above the original estimates. It was also a work in advance of the necessities of the times, and almost without connections, neither the canals of Pennsylvania, Maryland, nor New Jersey having as yet been brought into use. Baltimore and Philadelphia, however, were largely benefitted by it, and for many years it was the principal trade avenue between the two cities. But this was not a sufficient support for so costly a work, and, hence, for many years its revenues were comparatively small, and the finances of the company in an embarressed condition; nor was it until some fifteen years after its completion that it earned enough to pay the interest on its debt.

The extension of canals and railroads in the adjoining States gradually augmented the business of the canal. By 1847 its revenues had so increased as to afford a pros-

* The canal has three lift locks—one of 16 feet on the Chesapeake side, and two of 8 feet on the Delaware side. The locks are 220 feet by 24 feet, and pass vessels drawing 9 feet of water. There is also a tide-lock at either terminus. Water is supplied by pumping engines. The canal is 10 feet deep and 66 feet wide.

pect that for the future the earnings would discharge the calls of the debt; and a proposition to convert the arrears, now amounting to $796,592, into twenty year bonds, was acceded to by the bondholders. In 1853 and 1854 a further loan, amounting to $400,000 was made for the construction of new locks, and in 1856 the original bonds of 1836, amounting to $1,593,185, became due. The liquidation of so large an amount required a thorough re-organization of the financial basis of the company, and, to this end, a mortgage on the property was given for $2,800,000, due in 30 years from July 1, 1856, into which all the liabilities of the company were subsequently consolidated.

The interest on the debt of the company has been paid regularly since the funding process of 1847, but the capital stock had always been unproductive. The business of the canal, however, was being more and more developed, and, by a provision of the mortgage of 1856, setting aside $25,000 a year for the purchase and reduction of the debt, the principal had, by the end of the fiscal year 1865-66, become reduced by $640,000, and the annual interest by $38,400. This last sum is equivalent to an annual dividend of three per cent on the company's stock, and was appropriated to the payment of the first dividend ever declared by the company in June last. The business on the canal was largely increased during the period of the late war, and the general result of the four or five last years has been the placing of the company on a sound financial basis, which insures for the future regular interest on the debt, and as the principal of the debt is reduced, a corresponding increase in the rate of dividends.

The balance sheet of the Company, as of May 31, 1866, gives the following figures:

Capital Stock, including united, new, old and $303,000 of stock issued under the mortgage of 1856	$1,575,963 50
Mortgage Loan	2,356,509 56
Total	$3,932,473 06
Cost of Canal (incl. of feeder $110,925)	3,135,917 44
Sinking Fund	240,511 03
Contingent Fund	37,050 00
Dividend Fund (incl. $303,000 stock)	518,994 61
Total	$3,932,473 06

The following tables will show the business done on the Canal yearly for the ten years ending May 31, 1866:—

VESSELS PASSED THROUGH THE CANAL, ETC.

	Vessels Going Westward.	Vessels Going Eastward.	Total.	Tonnage.	Tolls.
1856-57	7,348	7,280	14,628	616,174	$229,081
1857-58	6,535	6,328	12,863	563,510	207,006
1858-59	6,021	6,113	12,134	496,100	202,350
1859-60	6,411	6,299	12,710	623,150	216,255
1860-61	5,683	5,664	11,347	596,294	195,946
1861-62	5,750	5,963	11,713	501,389	231,555
1862-63	6,813	7,840	14,293	671,905	293,194
1863-64	7,730	8,187	15,417	732,670	369,113
1864-65	5,780	7,031	12,811	916,973	424,312
1865-66	5,216	6,280	11,496	729,918	350,940

PRINCIPAL ARTICLES CARRIED.

	Lumber. sq. ft.	Timber. cubic ft.	Grain. bushels.	Coal. tons.	Flour. bbls.	Groceries. pounds.	Dry Goods. pounds.
1856-57	65,144,450	2,899,700	1,908,859	202,982	201,391	36,641,696	14,755,419
1857-58	52,541,100	2,903,800	1,896,177	177,863	154,657	34,192,622	16,978,834
1858-59	35,648,230	2,151,540	1,065,423	175,144	100,510	34,358,372	26,812,465
1859-60	58 833,883	3,142,530	1,645,589	193,404	147,630	43,071,816	31,302,765
1860-61	55,079,993	3,184,971	1,277,114	194,690	198,226	43,800,534	31,591,804
1861-62	32,211,495	4,148,053	2,350,006	150,385	117,207	69,069,861	31,654,723
1862-63	59,600,480	4,023,985	2,882,807	176,773	180,104	59,884,730	30,155,800
1863-64	57,740,400	5,309,273	1,340,646	217,948	207,005	76,470,500	19,997,701
1864-65	33,597,000	7,037,060	866,409	360,781	167,850	67,419,400	14,671,500
1865-66	28,665,370	4,722,870	706,585	268,387	121,533	61,057,440	17,573,700

The amount of tolls received from the several kinds of vessels and from timber passed during the two last years is shown in the following statement:—

	Steamboat.	Sailing Vessel.	Barge.	Timber.	Total.
1865-66	$154,244 66	$75,793 68	$65,963 38	$54,913 22	$350,939 94
1864-65	167,255 70	80,779 27	96,262 78	80,014 84	424,312 59
Decr.	$13,011 04	$4,985 59	$30,279 40	$25,096 62	$73,372 65

The expenses of maintaining the Canal in 1865-66 were $127,668 08, leaving net earnings amounting to $223,271 86, from which were paid interest, &c.

TOLLS IN DETAIL FOR SEVEN YEARS.

		1859-60.	1860-61.	1861-62.	1862-63.	1863-64.	1864-65.	1865-66.
Baltimore		$79,153	$70,690	$95,674	$118,953	$147,093	$169,766	$167,759
Havre de Grace		38,379	37,959	25,324	37,988	34,160	25,146	24,189
Port Deposit		34,573	37,406	40,078	42,506	60,816	82,645	57,052
Norfolk, &c.		5,880	4,925	...	1,116	613	1,577	9,808
Dist't of Columbia		9,742	9,609	34,756	60,015	80,462	85,512	44,104
Canal Levels		1,718	1,642	2,077	2,153	1,934	2,492	3,111
Chesap'e Bay.	Wood	10,627	9,302	4,370	2,769	4,328	3,479	4,373
	Oysters	12,405	3,655	5,203	8,964	15,095	13,076	11,123
	Fish	2,214	2,304	1,377	1,110	378	789	1,251
	Merchandise	19,264	16,836	20,731	14,691	19,889	33,787	25,764
	Empty Vess.	2,165	1,559	1,964	2,858	4,404	5,743	4,406
Total		$216,255	$195,946	$221,555	$293,124	$369,112	$424,312	$350,940

FINANCIAL AND COMMERCIAL CONDITION OF CHILE.

At a time when the republic is attracting the attention and sympathies of the world by her dignified attitude in defending herself from the aggression of Spain, the following information regarding her financial and commercial position will be found interesting. It is extracted from the report of the Minister of Finance, presented in August of last year to the Congress then in session. From that report, it appears that the public debt of the country as at 1st of January, 1866, would stand thus:

INTERIOR DEBT.

Consolidated three per cents		$2,359,514
Floating debt bearing interest at 7.30 per cent	$226,000	
Floating debt bearing interest at 7.75 per cent	143,000	
Floating debt bearing interest at 7.50 per cent	34,000	
Floating debt bearing interest at 8 per cent	139,159—	542,159
Meiggs' bonds, bearing interest at 6 per cent., with 4 per cent. amortization		2,116,000
Loan of 1865, bearing interest at 6 per cent., with 3 per cent. amortization		3,000,000
Total		$8,017,673
Average interest, 5.99 per cent. per annum.		

FOREIGN DEBT.

English loan of 1822, at 3 per cent. interest	$2,361,500	
English loan of 1822, at 6 per cent. interest	1,218,500	
English loan of 1858, at 4½ per cent. interest	7,198,500—	
Average interest, 4.34 per cent., on a total of		10,768,500
Grand total		$18,786,173

—the average interest upon which is 5.5-100 per cent.

Of the floating debt, a sum of $200,000 was paid off in February last, and the balance will become due and be paid in August of this current year, except a sum of $7,377, due only in 1867 for balance of purchase of shares in the Central Railroad, now the exclusive property of the Government.

THE ENGLISH LOAN OF 1858.

was negotiated through Messrs. Baring Brothers and was intended for the construction of the railways from Valparaiso to Santiago and from Santiago to

San Fernando. But in consequence of some political troubles in 1859 the funds proceeding from that loan were not immediately applied for the purposes generally contemplated, but were partly used by the Government for the pressing exigencies of the time in quelling the revolution, and partly loaned out in haciendadoes (farmers) and others, so as to be gaining interest during the time the revolutionary troubles lasted, and the works on the railways were suspended. This diversion of the funds from their legitimate object has been the fruitful source of all the financial troubles of the Government since that period, involving as it did, the payment of part of the railway contract for the completion of the road to Santiago in bonds instead of cash and causing deficits in the national balance sheet which culminated in the necessity for a loan of $3,000,000, which was negotiated in 1865. The railways, however, were completed, and good faith was and has been kept with the English creditors. The contractor, Mr. Henry Meiggs, was paid partially in bonds, bearing interest at six per cent. per annum, and this explains the item of "Meiggs' bonds" in the interior debt. The Government is now the sole proprietor of the valuable line of railway from Valparaiso to Santiago (called the Central Railway), two-thirds owner of the line from Santiago to Sanfernando, and sole owner of that (not yet completed) from San Fernando to Curico; and the value of these railways would be more than sufficient to pay off the entire national debt of the republic.

REVENUE AND EXPENDITURE IN TIME OF PEACE.

In the memorial of the Finance Minister, he estimated the total income for the financial year at $11,198,839, and the expenditure at $10,065,087, leaving a surplus of $233,752. But in consequence of the war with Spain, the blockade of the Chilean ports, the suspension of the Custom House duties, the necessity of purchasing ships, guns, arms, and munitions of war, and all the other expenses and outlays incident to the equipment of fleets, augmentation of the army and prosecution of an active war, these calculations will now be altogether wide of the mark, and instead of surplus the Government will again have to contend with deficits, and ere the war is ended and peace restored the national debt will have increased by at least $6,000,000 or $7,000 000.

IMPORTS AND EXPORTS.

The imports of the country in 1864 amounted to $18,867,345, which, although less than those of 1863 by $1.420,152, were in excess of the average of last four years by $552,902, and $2,191,051 in excess of the imports for 1861.

The exports in 1864 amounted to $27,242,853, of which the principal items were:

Copper in bars	$9,506,957	Flour	$2,321,000
Copper regulus	4,714,912	Wheat	1,039,071
Copper ores	1,268,588	Bar silver	1,638,272

As compared with 1861, the exports for 1864 give an increase of $6 893,219.

The wonderful increase of the public revenue during the last forty years is demonstrated in the following proportion:

1833	$1,770,761	1853	$5,552,485
1843	3,001,230	1863	6,700,659

The revenue of the custom houses, which, at the time of the breaking out of

the revolution of independence, geve only a monthly yield of $12,000, is exhibited in its uninterrupted increase by the following data:

Years.	Net product.	Propor. for each inhab.	Years.	Net product.	Propor. for each inhab.
1833.....	$1,025,835	$1 01	1853..... ...	$3,358,540	$2 35
1843.....	1,735,423	1 60	1863.....	4,259,534	2 51

THE COASTING TRADE,

being now thrown open to vessels of all nations, has increased to almost 60 per cent. in three years, as shown by the following statistics:

In 1861 it amounted to.....	$16,696,921	In 1863 it amounted to.	$25,003,789
In 1862 it amounted to.....	26,919,972	In 1864 it amounted to.....	28,896,788

These data show the rapidly increasing commerce and prosperity of the country. Indeed, it may be said of Chile that she is only standing on the threshold of her developments. With the railways made and now making, leading from the seaboard to her mines and rich agricultural districts, the limit to her progress can be bounded only by the supply of labor.

STABILITY OF THE REPUBLIC.

A nation whose exports are always in excess of its imports, whose mineral and agricultural wealth and unbounded resources are assiduously developed by an industrious and enterprising people, whose Government, institutions, and legislation guarantee that people in the peaceable possession and enjoyment of the fruits of their industry, and secure them that full freedom which ennobles a man and dignifies a State, must become progressive and occupy a position of stability, solvency, and endurance, from whatever quarter assailed, or from whatever quarter molested.

THE WAR WITH SPAIN.

Chile has been forced into a war with Spain and has accepted the issue of a conflict at a time when her people so little thought of war and were so much occupied with the enterprise of peaceful commerce that they had neither ships, guns, nor men to oppose to the formidable fleet sent to her ports by the enemy; but firm in the consciousness of the integrity of her own conduct and justly offended at the arrogant menaces and pretensions of the Spanish Admiral, she had no alternative but to vindicate her own dignity by an appeal to the grand arbitrament of war; a war which will probably involve the expenditure of many millions of dollars, but which will be cheerfully borne by the Government and people, in order to be done at once and forever with the overbearing and intolerable insolence and pretension of a power which at one time they had pride in speaking of as the mother country, but which now they despise and detest with a strength of hatred which is beyond expression.

THE LAST ENGLISH LOAN—THE STOCK AT A PREMIUM.

For the purpose of placing funds at the disposal of the Government agent in Europe, a loan of £450.000 was negotiated in London in March last on terms rather onerous, the Barings (the Government bankers) having declined to lend any money for war purposes. The terms of the loan were 90 per cent. issue, 8 per cent. interest, and the capital payable one-half in eighteen months and the other half in twenty-four months from the 15th of March last. Eight times the

amount required was tendered for on the terms mentioned, and the bonds have since gone up to a considerable premium on the London Stock Exchange. It is to be regretted that the urgency of the compromise for which the funds were necessary in Europe—being, no doubt, for purchase of ships or war material—gave so little time to the Government agent for negotiations that he was obliged to accept the best terms offered him at the moment. The loan, however, is of small amount, has been taken for a short term, was required for important purchases, and the difference of interest is trifling compared to the object gained; hence the nation is satisfied, but would be unwilling that such onerous terms should be considered as an index to the state of the national credit abroad.

TAXING THE SALES OF BANKERS.

OPINION OF JUDGE NELSON.

The following is the opinion of Justice Nelson, of the United States Supreme Court, on the question of taxing the sales of bankers, while acting as both bankers and brokers for their own account:

UNITED STATES CIRCUIT COURT.

Before Judge Nelson.

Clarke, Dodge & Co. *vs.* the United States and S. Shook, Collector, and S. P. Gilbert, Assessor. In June last a motion was argued by Mr. John E. Burrill, Counsel for Clarke, Dodge & Co., to continue an injunction to restrain the collection of taxes claimed by the Collector of Internal Revenue to be payable on sales of stocks and securities.

In the bill plaintiffs stated that they were bankers, duly licensed as such, and that their transactions were as follows:

1. They receive such securities for sale and discount, and in such cases make sales.
2. They lend and advance on such securities, and in such cases sell to reimburse themselves.
3. They buy and sell such securities on their own account.
4. In the fourth paragraph of the bill they stated that they received orders to buy, and in such cases bought in their own names and transferred to their principal on repayment, and in case of non-payment sold to reimburse themselves.

The Commissioner of Internal revenue claimed that plaintiffs were liable to pay taxes on all sales made by them in the classes of transactions above enumerated, and also that even if they would have been exempt from taxation on such transactions had they confined themselves to the business of bankers, the fact that they did business as brokers deprived them of that exemption, and subjected them to taxation in regard to all their sales, in the same manner as if they were not bankers.

In support of the application, affidavits were read, showing the course and custom of dealing in New York.

In opposition to the motion, Mr. S. G. Courtney, United States District Attorney, read an opinion of the Attorney General, and the instructions from the Commissioner of Internal Revenue to the Collectors and Assessors.

The Counsel for Clarke, Dodge & Co. made substantially these points:

1. The tax imposed by the 99th section of the Revenue Act is imposed upon brokers, and not on bankers.
2. The 73th section of same act expressly authorizes bankers to "receive stocks and securities for sale or discount," and to "lend and advance on such stocks and securities," and this necessarily carries with it the right to sell the same, either to reimburse themselves or to discharge the duty to sell imposed by the receipt of such stocks for the purpose of sale.
3. That the transactions in the *fourth* sub-division of the bill mentioned were equally exempt, because:

(*a.*) No tax is imposed on the *purchase* of stocks and securities, but only on the sales.

(*b.*) When the purchase is made, no tax or duty is payable until the banker *sells*.

(*c.*) In such cases, no sale is made unless by *order* of the principal or to reimburse the amount paid by the banker on the purchase; and, in either case, the transaction is within the category of "stocks received for sale, or on which loans or advances are made."

4. That the distinction between the banker and the broker is clear and well defined, and that, even if it should be that the transactions above mentioned were such as a broker might engage in, this did not convert the banker into a broker, or deprive the banker of his exemption.
5. That, even if the transactions in the fourth or other of the sub-divisions should be decided to form part of a broker's business, and taxable as such, this did not render the plaintiff taxable in respect to transactions which formed a part of the business of bankers.
6. That, by combining the business of a banker and broker, the banker did not lose the exemption to which he was entitled as banker.
7. That, even if the plaintiffs were taxable in respect to transactions had on account of others, this did not render them taxable on transactions made on their own account.

8. That the Supreme Court of the United States, in the case of Fisk & Hatch, decided that bankers were exempt from taxation upon all transactions as bankers.

9. That, in the case of Cutting, that Court decided that a broker doing business under the 9th paragraph of section 79 was liable to pay taxes on all transactions specified in that paragraph.

10. That the Supreme Court had *not* decided that a banker licensed under the first sub-division of section 79 was liable to pay any tax on the business for which he was so licensed, nor that where bankers engage in transactions on which brokers likewise engage, that they thereby lose such exemption as brokers.

The District-Attorney controverted these propositions; and, in addition to the oral argument, filed a printed brief, in which the questions were thoroughly discussed.

The following is the opinion of Justice Nelson, which was filed in the case:

The bill is filed in this case against the defendants, who are the assessors and collectors of the Thirty-second Collection District of New York, under the internal revenue laws, for the purpose of restraining them from the assessment and collection of a tax claimed to have accrued against the plaintiffs as bankers, doing business as brokers, within said district, under the following circumstances:

The plaintiffs have a license as bankers, and have from time to time received at their banking-house stocks, bonds and bullion for sale, and also have, during the same time, received bills of exchange and promissory notes for discount and sale, and did discount and sell the same on and for the account of the parties from whom received, and charged the customary compensation as bankers; and also, during the time aforesaid, did, at their banking-house, lend and advance moneys to various parties, on stocks, bonds and bullion, and, after such advance and loans, did sell said stocks, bonds and bullion, on account of the parties from whom the same were received, and to whom the moneys were lent and advanced, deducting from said sales the moneys so loaned and advanced, with the interest and customary charges as bankers; and also bought and sold stocks, bonds, &c., on their own account, and no on commission or for others. The tax claimed as having accrued out of the above dealings is 1-20th of 1 per centum, monthly, on all the sales of the stock, bonds, &c., under the 99th section of the act (13 U. S. St. p. 273) which imposes the tax on brokers, and "bankers doing business as brokers." The question in the case is, whether or not the plaintiffs in carrying on the aforesaid business under a banker's license, are to be regarded as bankers doing business as brokers. The 1st subdivision of this 79th section (p. 251) enacts that bankers employing capital, not exceeding $50,000, shall pay $100 for a license, and two dollars for every thousand over this amount—and then defines the term banker:—"Every person, firm, company, &c., having a place of business: (1) where credits are opened by the deposit or collection of money or currency, subject to be paid or remitted upon draft, check or order; (2) where money is advanced or loaned on stocks, bonds, bullion, bills of exchange or promissory notes; (3) where stocks, bonds, bullion, bills of exchange, or promissory notes are received for discount or sale, shall be regarded a banker under this act." Besides the license fee exacted, the banker, under the 110th section, (p. 277,) pays a tax of 1-24 of 1 per centum monthly upon the average amount of deposits—1-24 of 1 per centum monthly upon the average amount of the capital of his bank beyond the amount invested in United States bonds—1-12 of 1 per centum monthly on the average amount of circulation if issued by any bank—and in addition, 1-6 of 1 per centum monthly on the amount of circulation beyond 90 per centum of the capital. The license fee and the above tax are the burdens imposed on the banker for the privileges conferred. Now among these is the privilege of doing the business set forth in the bill of complaint, and to which we have referred at large; and yet, it is claimed, the plaintiffs are liable to the additional tax as brokers specified in the 99th section of the act. According to this construction the license or privilege of the banker would be of little value. He might, indeed, receive deposits and pay them out, advance or lend money on stocks, bonds, &c., but in case of default of repayment, he must not sell the pledge to reimburse himself—he may receive stocks, bonds, &c., for discount or sale, but is not at liberty to sell. If he does, it is insisted he instantly becomes a broker, and liable to the broker's monthly tax, in addition to the banker's, which he has already paid. We cannot agree to this view of the act. On the contrary, we are satisfied the banker is both, by express terms, as well as by necessary implication, empowered to carry on the business, authorized under his license, to its practical and useful results. That, when he is authorized to lend or advance money on stocks, bonds, &c., he has the right, in case of default in the repayment, to convert the security into money by way of reimbursement—and, when authorized to receive stocks, bonds, &c., for sale, he may sell the same without, in either instance, making himself a broker. The United States *vs.* Fisk *et al.*, decided at the last term, carried the privileges of the banker far beyond the present case; for it was there held that he could purchase and sell stocks, bonds, &c., for himself and on his own account, under his license—a business not specified in the definition of a banker. That case, in effect, decided that any business which a banker could carry on, as such, did not fall within the ninety-ninth section of the act. The case of the plaintiffs, as set forth in the fourth paragraph of the bill, is in substance as follows; That, in carrying on their business as bankers, they purchase stocks, bonds, &c., for others, but make the purchases in their own name, and advance their own money, and take the transfers in their own name, and hold the stocks as security for repayment by the persons for whom purchased; and, on receiving such repayment, interest and customary charges, delivers the stocks, bonds, &c., as per agreement—or, in default of repayment, they sell the same to reimburse themselves. This buisiness is not only outside the business of a banker, as defined by the act, but comes directly within that of a broker, and subject to the tax under the 99th section. But it is urged that if the plaintiffs, in any of their dealings in stocks, bonds, &c., are brought within the category of bankers doing business as brokers, their whole business, as bankers, is thereby brought within it, and subject to the brokers' tax; and this extraordinary proposition is supposed to be decided in the case above referred to. The 9th subdivision (p. 252), declaring who shall be a broker, is as follows: "Every person, firm, or company, &c., (except such as hold a license as a banker) whose business it is as a broker to negotiate purchases or sales of stocks, bonds, &c., shall be regarded as a broker." The exception takes the banker out of the category of broker, and, to make it more clear what was intended by the exception, a proviso is added, "that any person holding a license as a banker shall not be required to take out a license as a broker;" meaning, obvi-

ously, that he may do business as a broker under his license as a banker. But, surely, there is nothing in the provision which thus permits the business both of a banker and broker to be carried on under the bankers' license that suggests the idea, or gives any countenance to it, that dealing in both capacities merges the banker into the broker, so as to subject all his dealings to the broker's tax. The fair and natural inference would seem to be the other way, namely, that the broker is merged in the banker. But, we suppose, the reasonable and proper conclusion is, that although the license of banker authorizes him to do the business of a broker without further payment of money, yet, so far as he may do that business, he is to be regarded as a broker, and must pay the broker's tax. This, we think, is not only the natural conclusion and fair legal effect from the provisions of the law referred to, but is confirmed, as will be seen, by the language of the 99th section, imposing the tax on brokers, as follows: "That all brokers and bankers doing business as brokers shall be subject to pay the following duties," &c.; clearly enough implying that the banker, beside carrying on his own business, may also engage in business as a broker; but in such case, and as respects the business done as a broker, he must pay the tax imposed over and above what he has already paid as a banker. This view of the statute was taken in the case of the United States *vs.* Fisk *et al.*, and is stated in the opinion in a few words; "Now, a banker," says Mr. Justice Grier, "pays a much higher license-tax than a broker, and is permitted to prosecute or carry on the business or profession of a broker without paying any further license; but, if he prefers, he may not combine that business with his own." Without pursuing the case further, an injunction must issue in conformity with the above opinion. If any difficulty arises in the settlement of this order, it can be referred to me.

John E. Burrill counsel for Clark, Dodge & Co.; S. G. Courtney, U. S. D. A., for defendants.

The Court also rendered decisions and opinions in another case submitted at the same time as follows:

Lewis Einstein et al., *vs.* Sheridan Shook.—Nelson, C. J.—There is one question in this case not involved in the case of Clark and others against Gilbert and Shook, nor in any case heretofore before this Court; and that is, whether or not a banker, who purchases and sells stocks, bonds, &c., for others, and, therefore, falls within the category of a banker doing business as a broker, but who sells the stocks, bonds, &c., through intervention of a broker, is liable to pay the broker's tax under section 99. The argument is that the tax on the sales has already been paid by the broker called in and who actually made them. As this case came before the Court on short notice, at the close of the sitting, we will hear a re-argument on the point, and at the same time an explanation by affidavit, by either party, as to the mode and manner of conducting the business thus claimed to be exempt from the tax.

STOCK SALES AT PHILADELPHIA.

We have compiled the following table from the official lists of sales at the Philadelphia Stock Board for the first six months of the current year, showing the lowest and highest prices paid for each stock:

R. R. Stocks.	Jan.	Feb.	March.	April.	May.	June.
Cam. & Amboy..	125¼@127	116¾@ 21	115¾@120	116¾@120¼	120½@130	121½@134½
Pennsylvania.. .	53¼@ 57	54¾@ 57	54¾@ 56¾	55¾@ 57	53¼@ 54¼	54¼@ 55¼
Reading.....	49 @ 53¾	48¾@ 51¾	48 @ 93¼	49¼@ 53¾	52¼@ 55¼	54 @ 55¾
North Penn. ...	29 @ 38	36¾@ 38	35 @ 37	36 @ 40	38 @ 38	38¾@ 39
Lehigh Valley..	61 @ 64¼	60¾@ 63	62 @ 63	61¾@ 62¼	61 @ 62¼	62¼@ 63¼
Minehill & S'kill Haven..... ..	54¾@ 55	54¼@ 54¾	54 @ 54¼	54¾@ 56	55¾@ 56½	56¼@ 56¾
Norristown	54 @ 55	54 @ 54¾	54¼@ 54	52 @ 55	53¾@ 55	55 @ 55¼
Phila. & Erie....	28¾@ 31½	29¾@ 31¾	27 @ 32¾	31 @ 35	30 @ 34	30¾@ 32¾
Catawissa.	20 @ 31	23¾@ 25¾	22 @ 28¾	30 @ 40	....@ ...	....@ ....
do prefe'd	30¾@ 46¾	33 @ 38	27¾@ 34	26¾@ 33¾	26¾@ 33	28¾@ 35¾
Little Schuylkill.	29 @ 33¾	31 @ 32	28 @ 30	29 @ 33½	34 @ 40	38¼@ 40
N. Central.....	44 @ 45	43¾@ 44	44 @ 44¾	44¾@ 46	43¾@ 44¾	43 @ 43¾
Williamsport and Elmira.....	27 @ 27	26 @ 26¾	27 @ 27	27 @ 30	28 @ 28	30 @ 30
do prefe'd	39 @ 39	39 @ 40	40 @ 40	41 @ 43	....@ ...	....@ ....
Long Island ..	35 @ 35	....@	37¾@ 37¾	... @ ...	....@	....@ ....
Phila. & Trenton	....@	113 @114	....@	113 @114	125 @125	116 @116
Phila., Wilm., & Baltimore.....	... @	55¼@ 55¼	....@	55¼@ 55¼	....@	58 @ 58
Canal Stocks.						
Delaware div....	31 @ 33	31¾@ 35¾	33 @ 45¾	46 @ 50¼	51 @ 54	53 @ 55
Wyoming Valley.	56¼@ 57	....@	59 @ 59	58¼@ 60	70 @ 70	....@ ....
Lehigh nav....	52¾@ 55	51¾@ 52¾	51¾@ 52¾	52¾@ 55	52¾@ 54¾	54¼@ 58¾
Schuylkill nav...	21 @ 24	52¾@ 23¼	21 @ 23¼	23 @ 28¼	26¾@ 27	26¾@ 27¾
do prefe'd	27¾@ 30	28¾@ 30	28 @ 29¼	28¾@ 35¾	33 @ 33¼	33½@ 34¾
Morris, consol'd	75 @ 75	95 @ 95	70 @ 78	67 @ 75	76 @ 77¾	80 @ 88
do prefe'd	114¾@114¾	114 @114	115 @115¾	115 @115	....@	120 @120¾
Union.....	1¾@ 3¼	2¼@ 3¼	2 @ 3¼	2¾@ 3	2¾@ 2¾	....@ ....
do prefe'd	3¼@ 5¾	4¾@ 6	4¾@ 4¾	4¾@ 5	....@	....@ ....
Susquehanna....	8¾@ 10¾	11¾@ 14¼	11 @ 13¾	13 @ 16¾	15 @ 16½	15 @ 15¾
West branch.....	....@	....@	....@	....@	25 @ 25	29½@ 29½

The great bulk of the above stocks are quoted on half shares—the Camden and Amboy Railroad, Philadelphia and Trenton Railroad, and Morris Canal shares alone being full or $100 shares.

RECEIPTS FOR CUSTOMS DURING YEAR 1865-66.

The receipts for duties on imports at the four principal ports of the United States during the fiscal year ending with June 30, 1866, were as follows:

	New York.	Boston.	Philadelphia.	Baltimore.
July, 1865	$9,778,176 06	$1,866,666 24	$471,810 92	$401,850 32
August, 1865	13,113,669 50	1,665,894 32	456,275 66	356,663 86
September, 1865	12,929,615 64	1,597,600 28	534,686 70	271,878 00
October, 1865	10,978,513 01	1,225,395 80	496,141 95	190,700 53
November, 1865	9,933,488 76	1,547,688 32	435,612 59	272,052 48
December, 1865	8,348,750 31	953,048 85	349,058 79	190,694 81
Total for six months	$65,067,233 97	$8,356,192 76	$2,742,586 61	$1,683,889 95
January, 1866	$12,437,474 16	$1,003,005 22	$508,513 78	$310,462 51
February, 1866	12,008,273 74	1,548,078 88	240,198 26	322,549 83
March, 1866	11,173,164 62	1,324,796 21	693,318 58	318,085 01
April, 1866	10,950,896 78	1,469,278 09	947,425 48	268,889 96
May, 1866	11,322,150 10	1,683,988 54	757,890 22	441,078 89
June, 1866	9,563,589 38	1,407,652 28	635,328 21	331,176 68
Total for the fis. year	$133,522,723 65	$16,792,987 43	$6,616,271 09	$3,676,032 85

It will be seen that the grand total of the receipts from all four ports for the fiscal year ending June 30, 1866, was $159,608,014 02.

STATE DEBT OF NORTH CAROLINA.

The North Carolina State Convention has adopted the following ordinance, making provision for canceling a portion of the debt of the State, by exchanging the stocks &c., of railroad companies held by the State in such manner as will satisfy the public creditors:

An Ordinance for Exchanging the Stocks of the State for Bonds issued before the year one thousand eight hundred and sixty-one.

Whereas, The destruction and depreciation of taxable property in North Carolina, arising out of the late unhappy war, has greatly increased the proportion borne by the public debt to the means which the State possesses for its payment: and, whereas, the people of North Carolina are solicitous fully to discharge their just obligations at the earliest possible moment, in any manner that shall be acceptible to their creditors; whereas, further, the stocks, liens, and other claims upon the railroad companies, and other corporations, are proceeds of the bonds of the State, issuedin great part before the twentieth day of May, in the year one thousand eight hundred and sixty-one, and now outstanding; and, whereas, due regard being had, as well to economy and other grave public interests, as to the rights of public creditors, it were good policy to exchange for the principal of such bonds, the stocks, and other property above mentioned, if such exchange can be made at par; therefore,

SEC. 1. Be it ordained by the delegates of the people of North Carolina, in convention assembled, That the Public Treasurer shall advertise, in such newspapers as he may select, and invite proposals for an exchange of the principal of any bonds issued by the State prior to the twentieth day of May, one thousand eight hun red and sixty-one, for certificates of stock and other interests held by the State in various corporations; such bids shall be opened by the Treasurer upon some day (of which he shall give due notice to them) in presence of the Governor of the State and the Comptroller of public accounts, and it shall be his duty to accept those terms which may be most advantageous for the State: Provided, That in no event shall any of the said stocks or other property be exchanged for less than their par value; and any premiums which may be obtained upon such exchange shall be applied either to the extinguishment of coupons or other interest (if any) due upon the particular bonds accepted in exchange, or to a further discharge of the principal due upon other such bonds, or interest, it may be, as an alternative, at the discretion of the Treasurer, be paid in currency into the Treasury and charged to the public fund.

SEC. 2. As soon as may be practicable after the acceptance of any bid, the public Treasurer shall receive the bonds offered in exchange, and in the presence of the Governor and Comptroller shall cancel the same; it shall also be his duty to transfer the stocks and execute such conveyances of the other interests hereinbefore mentioned as shall be deemed necessary; such conveyances to be in a form approved of by the Governor and the Attorney-General: Provided, however, T at the interest to be acquired by any such purchaser or assignee of any stock now held by the State shall not be other than that of the holders of a like amount, in the general stock of the several and respective corporations in which the State may be a corporator.

SEC. 3 It shall be the duty of the Comptroller to take a minute of what may be done by the Public Treasurer in the premises, and to make therefrom such entries in the books of his office as may secure a just accountability on the part of the Treasurer because of the transactions hereinbefore mentioned.

SEC. 4. The Public Treasurer shall make special reports upon the subject of this ordinance to the General Assembly at every session, and this ordinance shall be subject to repeal or modification by the General Assembly.

[Ratified in Convention the 16th day of June, A.D. 1866.]

EDWIN G. READE, President.
JAMES H. MOORE, Secretary. R. C. BADGER, Assistant Secretary.

I do hereby certify that the foregoing is a true copy of the original on file in this office.
Given under my hand the 27th day of June, A.D. 1866. R. W. BEST, Secretary of State.

THE UNITED STATES DEBT.

We give below the statement of the public debt, prepared from the reports of the Secretary of the Treasury, for May 1, June 1, and August 1, 1866:

DEBT BEARING INTEREST IN COIN.

Denominations.	May 1.	June 1.	Aug. 1
6 per cent. due December 31, 1867	$9,415,250	$9,415,250	$9,415,250
6 do July 1, 1868	8,908,342	8,908,342	8,908,342
5 do January 1, 1874	20,000,000	20,000,000	20,000,000
5 do January 1, 1871	7,022,000	7,022,000	7,022,000
6 do December 31, 1880	18,415,000	18,415,000	18,415,000
6 do June 30, 1881	50,000,000	50,000,000	50,000,000
6 do June 30, 1881, exc'd for 7.30s	139,313,150	139,314,500	139,303,100
6 do May 1, 1867-82 (5.20 years)	514,780,500	514,780,500	514,780,500
6 do Nov. 1, 1870-85 (5.20 years)	100,000,000	100,000,000	100,000,000
6 do Nov. 1, 1870-84 (5 20 years)	71,003 500	80,734,500	127,549,150
5 do March 1, 1874-1904 (10.40s)	171,219,100	171,219,100	171,219,100
6 do July 1, '81 (Oregon war)	1,016,000	1,016,000	1,016,000
6 do June 30, 1881	75,000,000	75,000,000	75,000,000
Aggregate of debt bearing coin interest	$1,190,286,342	$1,195,835,192	$1,242,628,442

DEBT BEARING INTEREST IN LAWFUL MONEY.

4 per cent Temporary Loan 5 do do 5 do do } 10 days' notice	131,497,854	$124,561,486	$118,665,470	
6 do Certificates (one year)	62,620,000	42,095,000	....	
6 do One and two-years' notes	6,036,900	....	....	
6 do Three years' com. int. notes	167,012,141	162,012,140	156,012,140	
6 do Thirty-year bonds, (ent'l Pacific R.)	2,362,000	2,362,000	} 6,042,000	
6 do do (Union Pacific R. E. Div.)	2,272,000	2,130,000		
7.30 do Three years' treasury notes, 1st series 7.30 do do do 2d series 7.30 do do do 3d series }	818,044,000	812,221,600	798,949,350	
Aggregate of debt bearing lawful money interest	$1,188,313,545	$1,147,222,226	$1,079,668,960	

DEBT ON WHICH INTEREST HAS CEASED.

Debt on which interest has ceased	$877,730	$4,900,430	$4,670,160

DEBT BEARING NO INTEREST.

United States Notes	$415,164,318	$402,128,318	$400,361,728
Fractional currency	28,192,017	27,334,965	26,684,139
Currency	$443,356,335	$429,463,283	$427,045,867
Gold certificates of depos't	9,036,420	22,568,320	16,403,180
Aggregate of debt bearing no interest	$452,392,755	$452,031,603	$443,449,047
Amount in Treasury—			
Coin	$76,676,407	$50,678,958	$61,322,127
Currency	61,319,622	79,011,125	75,995,206
Total in Treasury	$137,987,029	$129,691,083	$137,317,333

RECAPITULATION.

Debt bearing interest in coin	$1,186,092,842	$1,195,835,192	$1,242,628,442
Debt bearing inter'st in lawful money	1,188,313,545	1,147,222,226	1,079,668,960
Debt on which interest has ceased	877,730	4,900,430	4,670,160
Debt bearing no interest	452,392,755	452,031,603	443,449,047
Aggregate debts of all kinds	$2,827,676,872	$2,799,479,451	$2,770,416,609
Cash in treasury	137,987,029	129,691,083	137,317,333
Amount of debt, less cash in Treasury	2,689,689,843	2,670,288,368	2,633,099,276

LEGAL TENDER NOTES IN CIRCULATION.

One and two years' 5 per cent notes	$6,036,900	$	$ ....
United States notes (currency)	415,164,318	402,128,318	400,361,728
Three years' 6 per cent compound interest notes	167,012,141	162,012,140	156,012,140
Aggregate legal tender notes in circulation	$588,213,359	$564,140,458	$556,373,868

COMMERCIAL CHRONICLE AND REVIEW.

Atlantic Telegraph—Rates for loans and discounts—Prices Railroad and other Stocks—Course of Exchange—Prices of Governments—Price of Gold each day—Treasure Movement.

Very little business has been done the past month, the city exhibiting the usual midsummer quiet. The great feature of interest has been the completion of the Atlantic Telegraph, and although the messages that have as yet passed over it are few, enough has reached us to convince even the most sceptical that the cable has been successfully laid and is working admirably. That this sub-Atlantic-wire is to work a decided change in commercial transactions with the Old World must be admitted, but the "revolution" that is predicted will be gradual in its coming, and only be fully developed when other lines are laid. The single cable now thrilling beneath the waves of the North Atlantic can never be relied upon to keep up full and continuous telegraphic communication between the New World and the Old. Still, the fact has been demonstrated that a line can be laid and made to work.

Although the fall trade has not begun, manufacturing for that trade has been active; in most branches of business the supply of goods is ample. Towards the close of the month the representatives of the Southern markets arrived in the city in numbers, indicating the probability of a comparatively liberal trade being transacted with that section. In the meantime the money market has been easy and below are the current rates for each week:

RATES OF LOANS AND DISCOUNTS.

	July 6.	July 13.	July 20.	July 27.
Call loans	4 @ 5	5 @ 6	5 @ –	4 @ 5
Loans on Bonds and Mortgage	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos	5 @ –	5½@ –	5 @ 5½	5 @ 5½
Good endorsed bills, 3 & 4 mos	5½@ 6½	6 @ 7	6 @ 6½	6 @ 7
" " single names	7 @ 8	7 @ 8	7 @ 8	7 @ 8
Lower grades	10 @12	10 @12	10 @12	10 @15

It is worthy of note that fewer new firms were established at the beginning of last month than has been usual at that period. The times are not encouraging to new enterprises. The country is still in an unsettled condition; the public finances have yet to undergo changes, which may affect business; we are far from a specie basis; and, above all, prices range so high that a decline in the value of every species of property would seem inevitable. It is, therefore, not surprising if, at present, there is a prevailing indisposition to establish new business enterprises. The quiet of general trade has, however, afforded an opportunity for stock speculation. The bank deposits have increased; a large amount of currency has been paid out of the Treasury on account of the redemption of Certificates of Indebtedness, and the July coupons on Seven-thirty notes; and money has, consequently, been easily available to stock dealers at 4@5 per cent. The month which ordinarily is dull, above all others, has this year been one of very unusual activity in railroad speculation. The unexpectedly large traffic of the roads since the suspension of the military transportation connected with the war, and the reopening of the Mississippi, have very much strengthened confidence in railroad stocks as an investment. This improved tone of feeling

has been turned to account by the brokers, and the result has been a general and large advance in the price of stocks. the following are the closing quotations each week for leading stocks;

	June 15.	June 22.	June 29.	July 6.	July 13.	July 20.	July 27.
Cumberland Coal	....	....	45	45¼	46	....	46
Quicksilver	....	50¾	47¾	47¾	51	50	....
Canton Co.	60	59	54½	55½	....	52½	53
Mariposa pref	24	23	22½	23½	23	22½	26½
New York Central	98¾	98¾	98¾	99¾	99	104½	104¾
Erie	61¾	59¾	61¾	68¾	74¼	65¾	64¾
Hudson River	110¾	111¼	....	....	114¾	116	120
Reading	109¼	108¾	109¼	x d 107¼	106½	110¾	111¾
Michigan Southern	79¼	79	78¼	80	81¾	82¾	83¾
Michigan Central	109	108	....	x d 105¾	....	....	110
Cleveland and Pittsburg	82	84¾	83¾	83¾	84¾	84¾	84¾
Cleveland and Toledo	105	106¾	106¾	106¾	109¾	110¾	112¾
Northwestern	30¾	29¾	30	31¾	34¼	35¾	35¾
" preferred	59½	58¾	59¼	61¼	63¾	61¾	64¾
Rock Island	94	95	94	96	96¾	97½	99¾
Fort Wayne	97¾	98¾	98¾	97¾	98¾	99¾	101¼
Illinois Central	122	120¾	121	121¾	122½	124¼	xd.120

In anticipation of the war in Germany, we expressed a confidence that hostilities would, ultimately, cause an increased demand for our bonds in Europe. That result has already appeared. During last month, the exports of Five-twenties were on a very large scale, the amount sent to Europe being probably much in excess of the total returned in anticipation of the war. The heavy shipments of bonds have aided us in adjusting our balances with Europe, which, with maturing obligations largely in excess of the current exports, would otherwise have caused a severe drain of specie, with material fluctuations in the premium on gold. As a consequence of this movement there has been a steady decline in the rates of foreign exchange, the month closing with quotations for bankers' sterling bills, 60 days' sight, at 107¼@108¼—a rate about 1¼ per cent. below the present specie shipping rate. The following table shows the daily fluctuations of exchange (long) on London, Paris, Amsterdam, Bremen, Hamburg, and Berlin at New York for July, and the total range for the first seven months of 1866:

COURSE OF EXCHANGE FOR JULY.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1	....	....	....	....	....	....
2	108 @108¾	520 @512½	40 @41¼	77 @79	36 @36¾	74 @75
3	108 @108¾	520 @512½	40 @41¼	77 @79	36 @36¾	74 @75
4	(National Holiday.)					
5	108¾@108¾	517½@510	40¼@42	78 @79	36¾@37	74 @75
6	108¼@108¾	517½@512½	40¼@41¾	78¼@79	36¾@37¼	74 @75
7	108¼@108¾	517½@512½	40¼@41¾	78¼@79	36¾@37¼	74 @75
8	....	....	....	....	....	....
9	108¾@109	516¼@508¾	40¼@41¼	78¼@79	36¾@37¼	74 @75
10	108¾@109¼	517½@508¾	40¼@41¼	77 @79	36¾@37¼	74 @75¼
11	108¾@109¼	517¾@508¾	40¼@41¼	77 @79	36¾@37¼	74 @75¼
12	109¼@109¾	515 @508¾	40¼@41¼	78¼@79	36¾@37¼	74 @75
13	109¾@109¾	517¾@507½	40¼@41¼	77 @79	36¼@37¼	74 @75¼
14	109 @109¾	517½@507½	40¼@41¼	77¼@79	36¼@37¼	74 @75¼
15	....	....	....	....	....	....
16	109 @109¾	517½@510	40¼@41¼	77¼@79	36¼@37¼	74 @75¼
17	109 @109¾	517½@510	40¼@41¼	77¼@79	36¼@37¼	74¼@75¼
18	109 @109¾	517½@510	40¼@41¼	77¼@79	36¼@37¼	74¼@75¼
19	109 @109¼	515 @510	40¼@41	78¼@79	36¼@37¼	74 @74¾
20	108¾@109¼	517¾@511¼	40¼@41¼	77¼@79	36¼@37¼	73¾@75
21	108¾@109¼	516¼@511¼	40½@41	78¼@79	36¼@37¼	74¼@74½
22	....	....	....	....	....	....
23	108¾@109	517¼@5'3¾	40 @41	78¼@79	37 @37½	73¾@74
24	108¾@109	520 @515	40¼@41	78¾@79	37 @37½	73 @74
25	108¾@109	520 @515	40¼@41	78¾@79	37 @37½	73 @74
26	108¾@109	520 @513¾	40 @41	78¼@79	36¾@37¼	73 @74
27	109¼@108¾	520 @513¾	40 @41	77½@ 9	36¾@37¼	73 @74
28	108½@108¾	520 @513¾	40 @41	77½@79	36¾@37¼	73 @74

29.....	.....	.....	.....	.....	.....	.....
30.....	108 @108¾	522¾@516¼	40 @40¾	77 @78¾	86¾@87¼	72¾@73
31.....	107¾@108¼	525 @520	40 @40¼	77 @79	86¼@87	72¼@73
July.....	107¾@109¼	525 @507¼	40 @42	77 @79	86 @87¾	73 @75¼
June.....	107¾@110	505 @507½	40 @42¾	77 @80¼	85¾@87¼	73 @75
May.....	108¾@109¾	520 @510	40½@42¾	78¾@80	86 @87¼	71 @74
Apr.....	108¾@109¾	527¾@517¾	39¾@41	76¾@78¼	85 @86¼	69¾@71½
Mar	106¾@108¾	530@ 518¾	40 @41	77 @78¾	85¼@86¾	70¾@71½
Feb.....	107¾@108¾	533¾@517¾	40¾@41	77 @79	85¾@86¼	70¾@71½
Jan.....	108 @109¼	523¾@515	40¼@41	78 @79¼	86 @86¾	71 @71¾

Military operations in Germany have been attended with an almost total suspension of the drawing of bills on Frankfort ; and, for a time, transactions with Bremen and Hamburg were limited from the same cause. At the beginning of the month, the apparent possibility that France might become involved in the struggle, caused increased remittances to Paris.

Below we give the sale prices at the New York Stock Exchange of government securities represented by the closing sale each day during the month of July, 1866 :

PRICES OF GOVERNMENT SECURITIES, JULY, 1866.

Day of month.	6's, 1881. Coup.	6's, 1881. Reg.	6's, 5-20 yrs. Coup.	6's, 5-20 yrs. Reg.	5's, 10-40 yrs. Coup.	5's, 10-40 yrs. Reg.	7-30's, 1867.	1 y'r certif.
Sunday.... 1	.....	.....	.....	.....	.....	.....	.....	.....
Monday.... 2	106¾	.....	104¾	.....	97½	....	103	...
Tuesday... 3	.....	.....	.....	*Board not in session.*	....	... .	....	
Wednesday 4	.....	.....	.....	*National Holiday.*	....	.....	. ..	
Thursday.. 5	107¼	.....	105¼	.....	97¼	....	103¾	....
Friday..... 6	108¼	108¾	105¾	.....	98	....	103¼	....
Saturday... 7	108¾	109	105¾	.....	98	....	103¾	....
Sunday..... 8	.....	.....	.....	.....	.....	....	.....	....
Monday.... 9	109	109¼	106	.....	98¾	....	103¾	....
Tuesday ...10	109¼	109¾	106¼	.....	98¼	....	.....	....
Wednesday11	109¾	.....	106¾	.....	98¾	....	103¾	....
Thursday ..12	109¾	.....	107	.....	99	....	103¾	....
Friday.....13	109¼	109¼	106¼	106	99	....	103¼	....
Saturday...14	109¾	.....	106¾	.....	98¾	....	103¾	....
Sunday.....15	.....	.....	.....	.....	.....	....	.....	....
Monday... 16	109¾	.....	107¾	.....	99	....	104¼	....
Tuesday...17	109¾	109¾	107¾	.....	99	....	104	....
Wednesday18	.....	109¾	107	.....	....	....	103¾	....
Thursday ..19	109¾	.....	107	.....	99	....	103¾	....
Friday.....20	.....	109¼	106¾	105	98¾	....	103¾	....
Saturday.. 21	109¼	... .	106¾	.....	98¾	....	103¾	....
Sunday.....22	.....	.....	.....	.....	.....	....	.....	....
Monday....23	109¼	.....	106¾	106¾	98¼	....	103¾	...
Tuesday .24	109	.....	107	.....	98¼	....	103¼	....
Wednesday 25	.....	109	106¾	.....	97¾	....	103¾	....
Thursday ..26	109	.....	106¾	.....	98¼	....	103¾	....
Friday 27	.....	109¼	107¾	105	98¼	....	103¾	....
Saturday ...28	.....	.....	107¼	105	98¾	98¾	.....	.. .
Sunday.....29	.....	.....	.....	.....	.....	....	.....	....
Monday....30	110	... .	108¾	105¾	98¼	....	104¼	....
Tuesday....31	.....	.....	108¾	.....	99	....	104¾	....
Opening.....	106¾	108¼	104¾	.....	97½	...	103	....
Highest	110	109¾	108¾	106¾	99	98¾	104¾	....
Lowest.....	106¾	108¼	104¾	105	97½	98¾	103	....
Closing.....	110	109¾	108¼	105¾	99	....	104¾	....

The gold premium has been comparatively steady during the month, in part owing to the diversion of speculation from the Gold Room to the Stock Exchange. The continued export of specie, and a large demand for the payment of duties on goods withdrawn from bond, upon the expectation that the additional duties imposed under the new tariff would apply to goods in warehouse, have sustained the premium against influences otherwise tending to depress it. The highest price reached during the month was 155 , and the lowest 147, the closing quotation being 149. The following table gives the opening, highest, lowest and closing prices for each day of the month,

COURSE OF GOLD FOR JULY.

Date.	Open'g	High'st.	Lowest.	Closing.	Date.	Open'g	High'st.	Lowest.	Closing.
Sunday 1	.....	.....	.....	.....	Friday 20	150¾	150¾	149¾	149¾
Monday 2	154¾	155¾	153¾	154¾	Saturday 21	149	150¾	148¾	150¾
Tuesday 3	153	153¾	152¾	153¾	Sunday 22	.....	.....	.....	.....
Wednesday 4	Independence Day.				Monday 23	151¾	151¾	150¾	150¾
Thursday 5	152¾	153¾	152¾	153¾	Tuesday 24	150	150¾	150	150¾
Friday 6	154¾	154¾	153¾	154¾	Wednesday 25	150	150¾	149¾	150
Saturday 7	154¾	154¾	153¾	153¾	Thursday 26	149¾	150	149¾	149¾
Sunday 8	.....	.....	.....	.....	Friday 27	149¾	150¾	149¾	150¾
Monday 9	153¾	153¾	151¾	152¾	Saturday 28	150¾	150¾	150	150
Tuesday 10	149¾	149¾	148¾	149¾	Sunday 29	.....	.....	.....	.....
Wednesday 11	149¾	150¾	149¾	150¾	Monday 30	147	147¾	147	147¾
Thursday 12	149¾	151¾	149¾	151¾	Tuesday 31	148¾	149¼	148¾	149
Friday 13	153¾	153¾	152¾	152¾					
Saturday 14	152	152¾	152	152¾	July, 1866	154¾	155¾	147	149
Sunday 15	.....	.....	.....	.....	" 1865	141	146½	138¾	144
Monday 16	148¾	149¾	148¾	148¾	" 1864	222	285	222	255
Tuesday 17	149¾	151¾	149	150¾	" 1863	144¾	145	123¾	128¾
Wednesday 18	149¾	150¾	149	149¾	" 1862	109	120¾	108¾	115
Thursday 19	150¾	150¾	150	150¾	" 18 1	100	100	100	100

The Treasure Movement at New York weekly, and the amount in Banks at the close of each week since January 1, has been as follows:

TREASURE MOVEMENT FOR 1866.

1866. week ending	Receipts. from California.	Exports. to foreign countries.	Sub-Treasury. Customs receipts.	Sub-Treasury. Interest payments.	Sub-Treasury. Gold Certificates issued.	Sub-Treasury. Gold Certificates returned.	In banks at close of week.
Jan. 6	.....	$552,027	$2,107,341	$3,597,240	$3,122,440	$1,34,8832	$15,778,741
" 13	$685,610	640,503	2,334,694	1,130,789	3,206,180	1,578,194	16,852,566
" 20	799,706	685,894	2,754,369	574,162	2,706,406	1,928,641	15,265,378
" 27	.....	656,812	2,236,040	279,842	2,593,400	2,137,048	13,106,750
Feb. 3	944,878	292,568	3,347,422	115,204	2,081,280	2,221,493	10,937,474
" 10	1,449,074	4[illegible]3,409	3,251,734	120,179	1,916,700	2,376,735	10,129,806
" 17	.....	445,489	2,893,008	94,823	2,992,900	2,158,009	10,308,758
" 24	1,209,048	560,194	2,606,796	119,[illegible]79	5,893,280	1,995,796	14,212,351
Mar. 3	.....	75,453	3,396,934	1,183,343	2,125,000	2,664,934	17,181,130
" 10	1,469,286	556,284	2,297,836	882,712	2,101,000	1,706,835	16,568,287
" 17	1,425,353	236,671	2,464,482	323,593	1,498,400	1,919,488	15,015,242
" 24	389,887	170,297	2,509,419	174,911	361,280	1,886,419	13,945,651
" 31	673,615	8,500	2,451,345	225,414	1,376,000	1,895,334	11,930,222
Apr. 7	.....	216,842	2,[illegible]63 010	63.140	3,[illegible]16,840	2,120,100	11,436,295
" 14	729,862	192,623	2,857,704	49,800	5,038,460	2,274,704	11,083,139
" 21	809,459	117,312	2,585,568	35.169	4,[illegible]04,000	1,971,568	9,495,464
" 28	.....	73,880	2,346,[illegible]07	40,506	4,187,140	1,760,307	8,243,937
May 5	1,318,271	1,247,249	2,711,181	7,061,900	4,653,000	2,227,181	10,914,997
" 12	1,072,820	1,064,496	2,417,391	2,648,000	3,110,000	1,943,391	13,970,402
" 19	.....	8,763,295	2,542,814	1,702,000	2,842,0[illegible]0	2,069,814	13,595,465
" 26	1,276,505	9,421,706	3,358,455	940,100	2,177,000	1,929,454	19,376,989
June2	324,562	6,870,997	2,182,395	70 500	1,897,000	1,911,395	28,[illegible]58,093
" 9	949,906	4,220,756	2,141,086	283,800	2,6[illegible]6,000	1,863,0[illegible]7	15.821,668
" 16	.....	6,035,743	2,071,621	67,000	3,719,000	1,788,621	11,217,305
" 23	892,365	1,408,286	2,209,676	106,134	2,793 000	1,809,676	8,504,096
" 30	.....	550 574	2,002,365	298,748	2,232,000	2,309[illegible]264	7,797,218
July 7	1,617,899	1,630,730	2,47[illegible],626	3,964,634	4,174,000	2,081,626	9,865,266
" 14	1,429,833	2,23[illegible],270	2,486,296	1,207,600	3,614,400	2,182,296	12,451,684
" 21	2,051,[illegible]56	416,013	2,480,149	224,100	2,452,000	2,187,149	10,860,140
" 28	.....	1,515,446	2,926 884	.....	2,120,000	2,543,884	9,701,547
	1,655,431 (this amount arrived July 31.)						
Since Jan 1	$23,175,016	51,291,597	78,037,848	.....	93,216,140	61,811,110	$.....

The following table, compiled from the records for the past seven months of the current year, and for the same months of the previous seven years, shows the general results of the import and export of treasure at this port:

Months, &c.	New Supply. California.	New Supply. Foreign.	New Supply. Total.	Exports to for. ports.	Excess of Supply.	Excess of Export.
January	$1,485,316	$72,771	$1,558,087	$2,546,236	$.....	$988,149
February	3,603,000	172,123	3,775,123	1,787,029	1,988,093	.....
March	3,958 290	285 854	4,244,145	1,035,039	3,209,106	.....
April	1,539,321	161,817	1,701,138	554,654	1,146,484	.....

May	3,667,596	393,073	4,060,669	23,833,873	.....	19,773,205
June	2,166,823	116,952	2,283,775	15,736,307	.....	13,452,532
July	6,754,669	101,003	6,855,672	5,801,459	1,054,213	....
Jan. July, '66	$23,175,015	$1,303,592	$24,478.6 8	$51,294,597	$.....	$26,815,989
do do '65	10,035,127	1,319,163	11,354,290	18,630,745	.....	7,276,455
do do '64	6,534,216	1,555,066	8,089,282	31,099,450	.....	23,010,168
do do '63	8,022,940	1,036,013	9,058,953	25,900,850	.....	16,841,897
do do '62	13,943,535	730,556	14,674, 91	36,034,488	.....	21,360,597
do do '61	21,175,405	32,906,166	54,081,571	3,280,458	50,821,113	.....
do do '60	19,810,150	756,182	20,566,332	28,242,826	.....	7 676,494
do do '59	21,144,789	1,301,082	22,445,821	43,348,391	... .	20,802,570

It will be seen from this compilation that the receipts of California gold during July have reached the very extraordinary total of $6,754,669. The exports to foreign countries have been 5.801,459, against $15,736,307 in June, and $23,-833,873 in May. The excess of receipts over exports is thus $1,054,213. For the first seven months of the year, the exports show an excess of shipments over receipts of $26 815,989, which is nearly ten millions more than the average excess of exports for the same period of the preceding four years.

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

New York City Bank returns—Returns of the Boston and Philadelphia Banks.

We give below the bank returns of the three cities. Those for Boston are incomplete again, since the Traders' Bank failed the last week of the month to make returns in season.

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
Jan. 6, 1866...	$233,185,059	$15,778,741	$18,588,428	$195,482,254	$71,617,487	$570,617,023
" 13.....	234,938,193	16,852,568	19,162,917	197,766,099	73,019,957	608,0?2,837
" 20.....	239,337,726	15,265,227	20,475,707	198,816,248	72,799,892	538,949,311
" 27.....	240,407,836	13,106,759	20,905,883	195 012,454	70,319,146	5 6,323,672
Feb. 3.....	242,510,382	10,937,474	21,494,234	191,011,695	68,796,250	508,569,128
" 10.....	242,608,872	10,129,806	22,240,409	188,701,468	68,436,013	493,431,082
" 17.....	243,068,252	10,208,758	22,9?8,274	189,777,290	64,802,980	471,886,751
" 24.....	239,776,206	14,213,851	22,959,918	183,241,404	61,602,726	497,150,067
Mar. 3..... ..	235,389,412	17,181,130	22,994,086	181,444,378	58,760,145	526,539,959
" 10.....	233,068,274	16,563,237	23,033,237	180,515,881	64,341,802	594,204,912
" 17.....	233,517,378	15,015 342	23,303,057	185,438,707	68,402,764	579,216,509
" 24.....	234,500,518	13,945,651	23,243,406	185,868,245	69,496,033	593,448,564
" 31	237,316,099	11,930,892	23,?46,534	188,554,592	72,158,199	529,240,640
Apr. 7	242,643,753	11,486,?15	24,1?7,011	189,194 161	71,445,0 5	602,315,748
" 14.....	244,0?9,859	11,035,129	24,532,981	193,153,469	73,910,370	57?,587,553
" 21.....	242 067,0?3	9,495,463	24,045,857	196,80?,?78	77,602,688	535,834,778
" 28.	24?,017,692	8,343,997	25,377,260	202,718,574	80,559,022	545,339,663
May 5.....	2 3,974,134	10,914,997	25,415,677	210,373,303	81,204,447	603,556,177
" 12	257,621,317	13,970,402	24,693,259	217,552,853	85,040,659	523,093,539
" 19.....	255,690,463	13,595,465	25,159,864	217,427,729	85,710,107	579,342,486
" 26.....	257,9?9,595	19,736,929	26,223,867	208,977,905	78,829,947	713,575,444
June 2...	250,959,029	21,858,093	26,344. 55	198.12 .289	69,188,?92	713,575,444
" 9..... .	249,533,959	15,821,663	25,967,253	202,?03,949	74,628,674	6?3,656,381
" 16.... ...	247,?01,547	11,217,3?5	25,?87,?76	202,415,673	79,179,304	613,686,301
" 23.....	248,436,806	8,504,096	26,585,394	201.969,?88	80,540,578	696,447,630
" 30...	250,884,168	7,797,215	26,706,6?2	204,357,.?3	81,882,640	568,842,490
July 7.....	257,534,833	9,865,266	27,296,530	205,799,611	79,541,688	511,182,914
" 14..	259,133,434	12,451,684	27,?04,173	207,160,043	75,541,977	637,655,787
" 21.....	255,965,018	10,860,147	27,5?9,090	213,049,079	80,524,992	598,705,726
" 28.....	256,612,071	9,701,046	27,349,813	214,582,926	84,705,814	490,394,808

The returns of the Philadelphia Banks have been as follows:

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
Jan. 2, 1866.....	$17,181,229	$4?,941,001	$890,822	$7,226,?99	$35,342,206
" 8.....	17,226,320	46,774,150	983,695	7.319,538	36.618,004
' 15.....	17,267,412	47,350,428	1.007,1?6	7,357,972	36.947,700
" 23.....	17,052,559	47,254,622	1,012,980	7,411,337	36,214,658

" 29	16,244,277	47,607,558	1,003,895	7,432,534	35,460,881
Feb. 3	16,481,035	47,223,661	1,000,639	7,668,365	34,681,135
" 10	16,852,737	47,249,883	996,319	7,819,599	34,464,070
" 17	16,777,175	46,941,337	953,207	7,843,002	33,926,543
" 24	17,282,603	46,865,512	1,036,408	7,732,070	33,052,253
Mar. 3	17,447,635	46,604,752	1,041,392	8,161,049	32,885,094
" 10	17,293,534	46,546,878	1,015,694	8,248,100	32,504,506
" 17	16,875,609	46,690,788	1,026,063	8,438,184	32,102,427
" 24	15,969,814	46,642 150	981,932	8,580,200	32,144,250
" 31	15,951,832	46,043,498	990,630	8,666,280	33,257,658
April 7	16,692,233	46,038,641	946,282	8,720,270	32,762,290
" 14	18,332,759	45,114,699	949,116	8,743,396	31,640,864
" 21	18,660,513	45,762,733	936,876	8,761,213	35,448,955
" 28	18,949,719	46,382,734	890,241	8,779,166	36,022,862
May 5	19,144,660	48,006,654	912,023	8,794,348	36,987,007
" 12	19,646,253	48,236,256	896,741	8,93),430	38,414,568
" 19	19,648,232	48,236,567	897,913	8,918,938	37,296,545
" 26	19,715,093	48,036,984	867,091	8,983,742	37,078,418
June 2	21,154 909	47,561,996	891,121	9,022,553	38,189,566
" 9	21,568,095	48,118,897	859,633	9,007,515	38,826,984
" 16	20,569,591	48,616,145	897,891	9,219,553	36,972,476
" 23	21,105,316	48,166,814	899,999	9,290,094	36,715,306
" 30	21,455,836	48,266,904	863,454	9,325,175	37,242,979
July 7	20,546,695	48,892,594	864,991	9,431,664	38,975,786
" 4	21,311,668	49,493,405	852,783	9,442,146	37,707,567
" 21	21,312,705	49,007,316	849,770	9,437,351	37,575,560
" 28	20,972,376	48,935,067	826,096	9,382,473	37,270,835

The returns of the Boston Banks are as follows:

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, $41,900,000.)

	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation—National.	Circulation—State.
January 1	$91,421,477	$801,415	$19,807,300	$38,451,794	$21,497,354	$1,404,721
" 8	93,245,129	1,031,327	19,914,065	41,718,133	21,806,180	1,388,798
" 15	92,939,364	1,029,105	20,498,014	40,939,870	21,946,595	1,273,948
" 22	93,665,111	1,040,114	20,750,698	40,300,6 9	22,054,643	1,215,675
" 29	92,877,783	1,008,018	20,544,830	39,153,816	21,899,318	1,157,848
February 5	94,578,358	805,237	20,568,185	40,486,163	22,325,4 8	1,125,738
" 12	94,083,827	682,591	20,412,589	38,768,019	22,348,638	1,057,328
" 19	95,230,429	508,428	20,418,909	38,494,696	22,602,531	1,033,391
" 26	93,539,040	521,292	20,262,177	36,398,481	22,887,971	1,048,022
March 5	92,990,512	556,856	20,081,968	35,581,876	22,606,895	1,006,719
" 12	90,705 159	623,938	19,905,190	35,297,498	22,730,829	721,809
" 19	91,902,811	606,992	20,470,018	26,696,321	24,018,916	910,740
" 26	91,931,296	513,153	20,913,521	35,887,368	23,019,887	901,620
April 2	92,351,979	532,536	20,761,014	36,697,227	23,067,693	869,323
" 9	93,142,975	487,455	21,334,570	37,426,560	23,266 613	830,069
" 16	91,240,892	457,643	19,992 617	37,606,696	23,635,043	777,196
" 23	86,120,897	411,693	19,309,145	36,946,182	23,469,488	744,041
" 30	84,723,001	401,113	19,549,614	38,396,210	22,856,456	744,425
May 7	90,369,569	576,1?0	21,415,716	41,205,276	23 516,330	719,688
" 14	90,328,534	501,013	22,462,522	42,021,976	23,551,579	695,527
" 21	89,634,864	472,172	22,973,509	41,61 ,149	23,195,968	661,819
" 28	91,833,403	436,311	23,658,956	41,631,746	23,722,277	644,658
June 4	92 287,648	503,991	26,143,678	42,992,749	23,679,0 5	609,771
" 11	89,878,993	374,966	25,470,926	42,858,986	22,916,539	480,59
" 18*	87,568,533	371,596	24,426,749	41,992,820	21,845,977	544,941
" 25	94,336,170	323,325	25,019,436	42,587,020	23,633,006	507,371
July 16	96,047,000	453,660	21,610,000	40,4?7,000	24,145,000	413,000
" 23	95,995,866	441,689	22,786,738	40,985 853	24,057,765	401,544
" 30†	95,002,698	363,776	22,342,659	39,770,363	23,804,536	355,864

* No returns from National Bank of Redemption. † No returns from the Traders' Bank.

ARMY, NAVY, AND POPULATION OF AUSTRIA, PRUSSIA, AND THE GERMAN CONFEDERATION.

The *World* publishes a *resumé* of the military power and population of Austria Prussia, and the German Confederation, from which we have prepared the following:

THE AUSTRIAN EMPIRE.

ARMY OF AUSTRIA.

The Austrian army is composed as follows, the conscription in time of war, however, bringing the strength of the army to a much higher figure:

	Men.		Men.
Infantry	442,008	Engineers	8,992
Cavalry	57,759	Pioneers	6,416
Artillery	54,881		
Totals			570,027

THE AUSTRIAN NAVY.

	Vessels.	Guns.	Horse power.		Vessels.	Guns.	Horse power.
First class	3	176	2,400	Sailing and despatch boats	9	87	1,500
Second class	3	91	2,150				
Third class	2	56	1,000	Total steam vessels and iron-clads	29	639	11,730
Frigates	5	191	1,800	Sailing ships of war of different classes	20	145	
Corvettes	7	64	1,710				
Gunboats	8	34	960				
Yachts	2	5	420				
Total					59	784	

POPULATION, ETC., OF AUSTRIA.

Population of Austrian Empire	35,019,058
Area of territory in Austrian square miles	11,252
Average population to each square mile	3,114
Revenue of Austrian empire, 1865	£51,490,545
Expenditure of Austrian Empire, 1865	52,288,339

THE AUSTRIAN MERCHANT MARINE.

Number of vessels	9,643	Tonnage	331,388

THE KINGDOM OF PRUSSIA.

THE PRUSSIAN ARMY.

	No. of Men.		No. of Men.
Infantry, field troops	283,506	Garrison troops, cavalry	800
Cavalry, field troops	36,018	Garrison troops, artillery	16,200
Artillery, field troops	80,554	Garrison troops, pioneers	1,950
Total field troops	370,078	Total strength of army	609,699
Garrison troops, infantry	116,282	Reserves (Landwehr)	104,414
Total, including reserves			714,113

THE PRUSSIAN NAVY.

	Vessels.	No. Guns.	Horse Power		Vessels.	No. Guns.	Horse Power
Steam corvettes	4	132	1,600	Steam frigates, iron-clad	4	140	2,400
Light corvettes	4	64	800	Iron-c'ads	4	200	4,000
Flush deck corvettes	2	28	200				
Gunboats, 1st class	6	36	600	Total	39	660	10,800
Gunboats, 2d class	15	60	1,200				

POPULATION, ETC., OF PRUSSIA.

Population of Prussia	18,492,743	Revenue, 1865	£22,607,105
Geographical area in sq. miles	5,060	Expenditure, 1865	22,77[illegible],248

PRUSSIAN MERCHANT MARINE.

No. of vessels	1,441	Tonnage	187,000

THE KINGDOM OF SAXONY.

Army, infantry and cavalry	25,000	Area in square miles	6,777
Artillery, guns	50	Revenue, 1865 (thalers)	12,856,352
Reserves	10,000	Expenditure, 1865	12,380,342
Population	2,225,240		

KINGDOM OF BAVARIA.

Bavarian army	105,757	Revenue (six years), florins	46,720,597
Population of Bavaria	4,689,887	Expenditure (6 years), florins	46,720,597

THE KINGDOM OF HANOVER.

Army of Hanover	23,614	Area in English square miles	14,846
Reserves	3,144	Revenue, thalers	19,627,206
Population	1,998,070	Expenditure, thalers	19,658,359

THE GERMANIC CONFEDERATION.

We give the resources of the smaller States which vote in the German Diet held at Frankfort, and are members of the Germanic Confederation. We give their populations, and the number of men that they are required to furnish as their contingents to the army of the German Confederation.

	Population.	Contingent to Federal army.	Area in English sq. miles
Austrian States of the Confederation	12,802,994	155,(37	75,822
Prussian States of the Confederation	14,138,804	133,769	71,698

Bavaria	4,689,887	59,894	29,638
Saxony	2,225,240	20,000	5,766
Hanover	1,888,070	21,757	14,776
Wurtemburg	1,720,708	23,259	7,675
Baden	1,369,291	15,087	5,851
Hesse-Cassel	738,354	9,466	3,858
Hesse-Darmstadt	846,907	10,323	3,243
Holstein and Lauenburg	594,566	6,000	3,719
Luxemburg and Limburg	421,088	2,706	1,886
Brunswick	2-2,400	3,493	1,526
Mecklenburg-Schwerin	548,449	5,967	4,834
Nassau	457,571	6 109	1,862
Saxe-Weimar	270,252	3,350	1,421
Saxe-Meiningen	172,341	1,918	933
Saxe-Altenburg	137,883	1,638	509
Saxe-Cobug-Gotha	159,431	1,860	816
Mechlenburg-Strelitz	99,060	1,197	997
Oldenburg	295,243	3,740	2,417
Anhalt	181,824	2,038	869
Schwarzburg-Sondershausen	64,895	751	318
Schwarsburg-Rudolstadt	71,913	899	340
Lichtenstein	7,150	91	64
Waldeck	58,604	866	466
Reuss-Greiz	42,130	1,241	148
Reuss-Schleiz	83,300	350	297
Schaumbourg-Lippe	90,744	350	212
Lippe-Detmold	108,513	1,202	445
Hesse-Homburg	26,819	333	106
Lubeck	49,483	670	127
Frankfort	87,518	1,119	43
Bremen	98 575	748	106
Hamburg	231,941	2,163	148

RECAPITULATION.

Total population of the States of the Germanic Confederation	45,013,084
Army of the Germanic Confederation—	
Infantry	391,634
Cavalry	60,758
Artillery	50,690
Total	503,072
Geographical area in English square miles	242,867

THE BOOK TRADE.

The Principles of Biology. By HERBERT SPENCER, author of the "Moral Principles of Psychology," "Illustrations of Progress," "Essays, Political and Esthetic," "First Principles," "Social Statics," "Education," etc. Vol. I. New York; D. APPLETON & Co., 1866.

The aim of this author is declared to be to set forth the general truths of biology, or science of life, as illustrative of and as interpreted by the laws of evolution; the special truths being introduced only so far as is needful for elucidation of the general truths. His work is hardly intended for popular reading; the diction is so highly charged with technical terms, as to make it necessary for his apocalypse itself to have an interpreter to make it intelligible to the ordinary reader.

An introductory work, the "First Principles" was prepared by Mr. Spencer some time ago, and published in England, which was received by a large body of readers with great satisfaction. Similar favor has attended upon the reprint given to the American public by Messrs. Appletons. The present volume will be welcomed by the same class.

Part I. treats of the Data of Biology · Part II. of the Inductions of Biology; and Part III. of the Evolution of Life. Beginning with a cursory allusion to the

phenomena of organic matter, the action of forces upon it and its reactions upon forces, he proceeds to consider the subject of Life itself, which he defines as the "co-ordination of actions."

After examining the correspondence between life and its circumstances, he afterward declares that life is the continuous adjustment of internal relations to external relations; and that it varies as does the correspondence.

Having mapped out this subject, the author proceeds to consider its indications, the conclusions to which it leads. This involves the whole matter of organic growth, development, function, waste and repair, adaptation, individuality, genesis, hereditary, variation, classification and distribution—to each of which phenomena an entire chapter is devoted; the discussion bringing us finally to the purpose of the work. He thus sets forth the enquiry.

"What interpretation we put on the facts of structure and function in each living body, depends entirely on our conception of the mode in which living bodies in general have originated. To prove some conclusion respecting this mode—a provisional if not a permanent conclusion—must, therefore, be our first step. We have to choose between two hypotheses—the hypothesis of special creation and the hypothesis of evolution."

He proceeds accordingly to a demonstration that the theory of special creation is worthless, and without evidence, neither satisfying an intellectual need or a moral want. "The belief that all organic forms have arisen in conformity with uniform law, is a belief that has come into existence in the most instructed class, living in these better-instructed times." Having answered this position, Mr. Spencer proceeds in succeeding chapters to array in its support "arguments from classification," "arguments from embryology," "arguments from morphology," and "arguments from distribution." He next proceeds to answer the question, "How is organic evolution caused?" He discards as unphilosophical the ascription of it to some aptitude naturally possessed by organisms, and sets aside the theories of Darwin and Lamarck, as only removing the difficuly a step further back. After a recondite argument of his own, he finally arrives at the following conclusion:

"We find progression to result, not from a special, inherent tendency of living bodies, but from a general average effect of their relations to surrounding agencies. While we are not called on to suppose that there exists in organism any primordial impulse which makes them continually unfold into more heterogeneous forms; we see that a liability to be unfolded arises from the actions and reactions between organisms and their fluctuating environments. And we see that the existence of such a cause of development presupposes the non-occurrence of development where this fluctuation of actions and reactions does not come into play."

This he explains by the constant effort of all organisms to attain equilibrium under altered conditions of existence. "The specialities of nature, chiefly mental, which we see produced, and which are so rapidly produced that a few centuries show a considerable change, must be ascribed almost wholly to direct equilibrium."

These hypotheses do not agree with the theory of cosmogony and creation usually received; yet has been entertained with much favor among the learned, who will look for Mr. Spencer's second volume with much interest. Although his arguments may not be considered as always conclusive, the subject is too important not to be treated with candor and attention. The results of the hypotheses, if it is sustained, must accomplish a revolution in the world of opinion.

Asiatic Cholera; Its Origin and Spread in Asia, Africa and Europe; Introduction into Canada, Remote and Proximate Causes, Symptoms and Pathology, and the Various Modes of Treatment Analyzed. By R. NELSON, M. D., Health Commissioner during the first two invasions—1832, 1834; President of the Medical Board for the District of Montreal. New York: WM. A. TOWNSEND, Publisher. 1866. Pp. 201.

This little work is not so much a history of cholera and analysis of the subject, as an outline sketch and a statement of observations made by the author during the period when he was the Executive Officer of the Medical Board for Montreal, at the time of the first visitation of Asiatic cholera. Of the contagiousness of the epidemic, he has not a doubt; wherever it appears, some infected person or substance has been; hence the common observation that it travels on the thoroughfares of commerce. But he declares, contrary to the experience of most, that it pays little respect to localities, visiting the clean and apparently wholesome abode as readily as the filthy, and even sparing the drunkard to attack his temperate neighbor.

Dr. Nelson denies that Asiatic cholera is a *disease* producing molecular disturbance and lesions; for a person attacked by it, and not overcome, recovers his former state of health with readiness. According to his hypothesis, a choleraic poison is introduced into the system, producing no disease, but instead a catalysis or liquefaction of certain elements of the body. The liquid so formed has a strong and rapid tendency to reach the surface of the skin and the intestines, oozing through the intervening tissues without at all employing the functions of absorption, circulation and secretion—all of which are absolutely suspended. Saline substances have been injected in the veins, and escaped in the same way. This choleraic matter constitutes the cold sweat and the rice-water evacuations so well known. The body throughout is cold, much colder than the atmosphere, owing to the fact that the air breathed has no action on the blood. The choleraic poison transmutes certain constituents of the body into a special liquid, heretofore unknown, and also changes deposits, the result of disease, in like manner. The serum of the blood, the juices contained in the muscles, the fibrin of the blood, are all drained away; the fat is removed, yet none of these can be detected in the choleraic discharges. The fluid of dropsies, abcess and fluctuating bubo undergoes the same change.

Dr. Nelson, being somewhat "old-fashioned," has little confidence in the more modern remedies. His dependence is on pure dry opium, a grain at a time, not to be given, however, till the vomiting shall have entirely ceased, lest it should lock choleraic matter in the stomach and produce speedy death. Absolute quietude is also necessary. He says little of cold applications, except that a poor man, experiencing the sensation of heat, immersed himself twelve hours in a barrel of water, and then got out nearly recovered. This favors Dr. Chapman's prescription of ice to the spine. In the event of not failing under the attack, the treatment during convalescence should be expectant. Avoid everything that can fatigue, waste, or exhaust the patient. Give nutriment as the appetite prefers, in quantities that the stomach can master. Light wines or cordials may be used; also tepid baths, or sponging frequently. This will supply moisture to the system, and have an anodyne effect These hints are valuable, and deserve consideration.

The Wycliffites, or England in the Fifteenth Century. By Mrs. Colonel MACKAY, authoress of "The Family at Heatherdale," etc., etc. New York: ROBERT CARTER & BROTHERS, 1866.

John Wycliffe, as our readers know, lived in the fourteenth century. Among

There are two indexes, one of subjects of which there are 245, and one of the contents of the volume, very complete and elaborate, showing that the editor is fully aware of the value of that feature of a work.

The present volume is in no manner inferior to its predecessors. Appleton's Cyclopedia has become necessary in every private library, affording, as it does, a complete history of the world, a repertory of science, and record of the progress made in the world of letters.

Essay on Diamonds. By an Amateur. New-York: 1866.

This volume is perhaps better adapted for an Encyclopedia than for circulation as a separate treatise. It is written in clear style, and brings together a large number of interesting facts in relation to it, which every intelligent person ought to know. Of all the precious gems the diamond has retained the most uniform valuation. Their possession, as all know, have been coveted by the great and wealthy of all countries, in every historical period. The richest specimens are from Hindostan, where they seem to be generally obtained along the shores of rivers. Jameson says that they are in the coal formation of that country. But diamonds are found in all parts of the world, in Russia as well as Brazil, and under circumstances indicating that they are of comparatively recent origin. It is now 410 years since Ludwin von Bergen invented the method of polishing them with their own powder. It was the former practice to cut them according to their form in octohaedronal planes; but cutters now use the forms known by the terms brilliants, rose diamond, table diamond and brillioette. Cardinal Mazarin, of the reign of Louis XIV., is said to have been the firstwearer of brilliants. Cutting greatly reduces the weight of this gem, the Kohinoor and South Star diamonds, which lost comparatively little, having been respectively reduced from 186½ to 82½ carats, and from 254½ to 124½.

This little book furnishes much information on all those points, in the history of particular diamonds, grouping together much that is interesting and useful.

Gail Hamilton has in the press of her publishers, Messrs. Ticknor & Fields, Boston, a new volume specially adapted to summer reading, and bearing the taking title of "Summer Rest." Most of the articles in this volume are now for the first time printed, and will be found equal to any of the author's most brilliant essays. Halicarnassus appears again on the carpet; and his exploits in the way of gardening and other domestic matters are made very amusing. Gail Hamilton is never dull. Possessed of a sharp and ready wit, speaking boldly, and that too upon topics wherein women have been supposed to have but little interest, she has already gathered about her an audience, which, by its hearty appreciation of her writings, attests the truth of many of her convictions. The success of her various volumes of essays has been without a parallel; in fact she is the most successful writer of the day.

The Civil War in America: An Address by Goldwin Smith. London: Simpkin, Marshall & Co.

Professor Goldwin Smith of the University at Oxford has earned the gratitude of every friend of the United States for his sympathy during their late struggle, when every government in Western Europe desired their destruction. If we do not concur in every sentiment of his address to the Manchester Union Society, we cannot withhold our acknowledgment of the good will of its author. If we had had more such friends in England during the late civil war, the contest would have been briefer and less sanguinary.

Professor Smith most justly denies the theory that the war arose from a divergence of commercial interest; that it was a struggle between free-trade producers on one side and protectionist manufacturers on the other. Such a cause, he declares, was inadequate to produce the effect. No mention is made of it in the manifesto of the seceding States.

He considers free Christianity to be at the bottom in this country and its institutions, and that in this war it has triumphed. The Western States are a colony of New England, the little Puritan settlement lost in a great nation. In American Christendom are two things going on; the decline of clerical authority, and the breaking up of sectarian dogmas, with the consequent approach of a reconciliation of the churches. This indicates no decline of religious feeling; because the flock are more nearly on a level, both intellectually and spiritually, with their pastor. America has produced no new theology, but she has produced religious liberty, from which, in time, better things will spring.

The relations between the employer and employed are sounder and kindlier than in England. Strikes were rare till the derangement of prices, caused by the Legal Tender act, put the world of industry out of joint. Even then the new comers, rather than the native American workmen, resorted to violent modes of raising wages.

Professor Smith proceeds in this temper through his entire letter, defending Americans from the imputation of being slaves to money, deficient in courtesy, wanting in filial affection and love of home, etc. He scans the evils of democracy and universal suffrage, declaring that American institutions so far as they are local, are good. What Providence intends in the New World apparently is not a reproduction of the European nations on a colossal scale, but a great development of humanity, for which Federation, with its infinite power of expansion, its multiplied centres of independent life, its freedom of local action seems to be the destined mould. "The growth will be that of peaceful expansion and attraction; not of forcible annexation, of which, I believe, no considerable party at the North dreams or has ever dreamed. The British North American Colonies will in time, and probably at no very distant time, unite themselves politically to the group of States, of which they are already by race, position, commercial ties, and the character of their institutions a part. No one can stand by the side of the St. Lawrence and doubt that in the end they will do this; but they will be left to do it of their own free will."

After a review of the peculiar influences which led to the settlement and development of society in the two districts of the Union, Mr. Smith gives an outline of the history of the war, favorable of course to the Government. The reorganization of society at the South he declares to be the most tremendous problem of all. "Jamaica tells us with terrible emphasis what are the perils of a community composed of the ex-slaveowner and the ex-slave." Kindness, fair wages, and education he suggests as means.

The object of the Manchester Union Associatian was "to confirm the Government of England in neutrality, and see that it was a real neutrality and not a neutrality of Alabamas;" to avert a deadly rupture between the two nations, from a primary regard to the general interests of humanity. "Be these the last words of the Association which ends its course to-night, (January 22, 1866) Slavery is dead everywhere and forever."

The Glory and Shame of England. By C. Edwards Lester. In 12 Books. Two volumes, demy octavo. Bartram & Lester, Publishers, New York.

This book first appeared some twenty-five years ago, and became quite popular. It has been written anew, bringing it down to 1866. Mr. Lester depicts forcibly the social condition of England and Ireland, the colonial system and foreign policy, concluding with two chapters of what he terms proofs of the prevalent hostility against the United States. "She shifts her policy," he says, "toward all strong nations to suit the hour—toward weak ones to suit her convenience." We cannot agree with all of Mr. Lester's conclusions on this or other points, but have no doub the will now, as heretofore, find hosts of admiring readers.

The Conversion of the Northern Nations. The Boyle Lectures for the year 1865, delivered at the Chapel Royal, Whitehall. By CHARLES MERRIVALE, B. D. New York: D. APPLETON & Co., 1866.

The eight lectures included in this volume are a continuation of the previous course delivered on the Conversion of the Roman Empire. They treat upon the revelation of Christ in the philosophical and the practical view, setting forth the peculiar views taken by Mr. Merrivale, with references to the writings of Tertullian and Origen, Athanasius and Augustine of Hipps. In this manner he brings the subject to the period of the decadence of Roman and Grecian civilization, when also Christian ideas were amalgamated with those of the heathen philosophers. He evidently considers the true Christian religion as having now been transferred from Asia, Africa and Southern Europe to the keeping of the Gothic and German nations of the North. Indeed, he declares that through them "we have derived our Christianity." Again,—"We may trace in the particulars of their belief an approach to much which we trust we have learned from the source of truth more directly ourselves Such are the formation of the world out of chaos, the creation of man, his primitive state of innocence and happiness, the fall of his godlike nature, which they ascribed to mingling with the accursed giants, the existence of a Spirit of Evil and of a Tree of Life."

At the end of the Roman world, the church stood by its death-bed witnessing the birth of the new period, "accepting changes terrible to the world, but full of consolation to herself." Her ground of hope lay in that spirit of independence and individuality which characterised the races of Northern Europe, among whom her future was cast. Individuality was strongly marked in the Christian society from the first. The great complaint of the Pagans was that they repudiated the supremacy of the State, of common interests, over the man and his personal interests. Mediævol faith approved itself in its most striking and characteristic features the express contradiction of Pagan naturalism. In asserting and grounding its principles, more generally, more enduringly than ever before, the church of the Northern nation, the church of the middle ages, finally triumphed. The world was then converted indeed. The empire, and the world beyond the empire, issued on its career of Christian development; but Paganism, including both the mythologies and the philosophies of the classical world, as a spiritual creed, was now finally abolished through the special fitness of the Northern nations for imbibing the great principles of Christian Theology.

It is Mr. Merrivale's object to ascribe to the church of the Gothic people a superior rank to that form which exists among what are styled the nation of the Latin race. His reasoning and illustrations all tend irresistibly to that conclusion, and he finally institutes a comparison between the two, showing in a right masterly manner the excellence of the former. The idea thus elucidated may well be expressed by this formula: Protestantism, the Christianity of Northern Europe, is the genuine apostolic faith.

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THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

SEPTEMBER, 1866.

MONEY AND BANKS.

BY J. L. TELLKAMPF, L.L.D., P.D.

(Continued from page 104.)

BANKING.

The functions are deposit and discount. In this respect the subject of banking is distinct from issuing notes as currency. Any man or set of men may become depositors and lenders of money. They receive money, give credit or drafts, and then drafts circulate. A function which does not properly belong to the business of banking, to which we have now especial reference, is that of *issuing notes as money*, and the obscurity which hangs around the subject results from the combination which takes place in the banks of these *three functions:* deposit, discount, and issuing of money. It is as *issuers of paper money* that the banks are chiefly open to criticism. Let us consider them as *makers of money.* This is a high and delicate prerogative. We have melancholy evidence of the blight which its abuse may leave:

1st. In its effects in multiplying contracts which in their effects prove fraudulent and oppressive, since, being made on long terms, they are made in an inflated and must be met in a collapsed currency.

2d. In substituting a system of gambling transfer of property in place of such exchanges as grow out of a healthy and productive system of industry.

3d. In demoralizing men, and thus unfitting them for being useful producers hereafter.

4th. In creating, when reaction comes, obstructions that block up all the channels of business, suspend exchange, and, with exchange, the production to which it gives rise.

5th. In creating artificial prices that tempt to excessive production at home and unlimited importations from abroad, while it prevents the exportation of our own products.

How guard against these evils and yet retain the advantages of the proper use of bank-notes?

1st. There should be only one issuer of bank-notes; and a complete separation between the issuing and the banking business should be effected.

2d. The issues must be limited by the amount of gold and silver in the issuing department.

3d. The proceedings of the banks must be *open*.

4th. There must be a personal *unlimited* responsibility.

With these public confidence can be maintained, as we shall try to explain in the following essay. Being maintained, all the advantages of credit can be secured, and yet the terrible penalty which we have had to pay not be incurred:

PLAN FOR REGULATING THE ISSUE OF BANK-NOTES, WITH REFERENCE TO SIR ROBERT PEEL'S BANK ACT OF 1844.

It is sufficiently known that all the dangers and evils of bank-notes produced by the continual expansions and contractions, originate from the over-issue; that is, issuing to a greater amount than the capability of ever-ready redemption. All the evils of paper money are therefore to be cured in this one common point—the issue. In order that the check against those evils which we wish to avoid before they take place should be preventive rather than corrective, the checking remedy must exist in the nature of the issue itself. A sure check can only exist if the self-interest of those issuing the paper obliges them always carefully to confine their issues below their capabilities of redeeming, or, if the issue is not productive, of gain.

There is no necessary connection between the issuing of notes and the business of banking. The two operations, although clearly distinct and different, are by those who find their account in a vicious system sedulously sought to be confounded.

The issue of notes for circulation, like the coining of money, properly belongs to the supreme authority of the State, and should, like the coinage, be entrusted and confined to a single issuer—not granted to a number of competing banks. Moreover, no profits should be allowed to accrue from the issue of notes, since this at once begets the tendency to over-issue, through the desire for, and opportunity of, making gain.

Cherishing these views, I proposed the following "Method for correcting the Currency" in an article published in the January number, 1842, of HUNT'S MERCHANTS' MAGAZINE AND COMMERCIAL REVIEW, in New York, vol. VI., p. 65; I said there: "Upon the supposition that it be correct for Congress to direct the issue of paper, the following plan for the establishment of a national paper currency might, perhaps, be practicable:

"Let a certain number of men of the highest respectability, who are entirely independent of the Government, but under its control, and who

shall have no interest in the quantity issued, be appointed to issue a certain amount of paper fixed by law, depending for its basis upon the credit of the Government and a fund derived from part of the proceeds of the public lands, by which, if necessary, it may be redeemed. These persons are to do no discounting—merely to make the issue. In order to avoid the danger of an over-issue, the amount should be decreed by Congress, always carefully confining its issues below capabilities of redeeming, at all times, as well in the urgent necessities of war as in a state of peace and prosperity. The reputation of a national paper will depend upon the caution never to over-issue, and the promptitude of redeeming. Although the voice of speculators continually demands an abundant issue, yet Congress has in justice to restrict the issue within such limits as thereby to protect its own reputation against dishonor and distrust, and individual property and contracts against unjust fluctuations of value. It must act on the principle that no one can honestly transfer to another, by paper, the power of purchasing which he himself does not possess.

"The men who make the issue should have no interest whatever in the quantity of paper issued; upon this condition only can we hope that prudence and a due regard to their own and the country's honor might operate as a check against an over-issue.

"Those men, thus appointed merely to make the issue, would not form a bank, since that one act exhausts the power placed in their hands, and no discounting could be done by them. By keeping the issuing and discounting business entirely separate, we avoid the danger of continual expansions and contractions, which, as we know by the unhappy experience of late years, has proved very disastrous to all solid business, to the just fulfilment of contracts, and to those persons who live on fixed salaries.

"Those who are appointed for making the issue should make a full register of it, to be printed in the newspapers, which should specify the number of bills of each denomination issued, each bill of each denomination being numbered in order, 1, 2, 3, &c., so that by this means an over-issue could be discovered by any one holding any of the bills of the over-issue. To avoid the danger of their issuing duplicates, all bills issued should be countersigned by the members of the issuing body and engrossed in their books.

"A part of the proceeds of the public lands would have formed an ever-ready fund for redemption, sustained, moreover, by the pledged credit of the United States; and, since no expansion or contraction of paper could exist, this would stand so safely stable in value that only in the most extreme cases of danger to the country a redemption would be required; and such cases are rare in the United States, which are so seldom threatened with war. By carefully limiting beforehand the amount within the means of ever-ready redemption, we shall solve that great problem with respect to a paper currency, which is, to discover that check whereby that evil which we wish to avoid may be arrested before it takes place.

"The danger of over-issue is best avoided by making a gradual issue. This paper would be the much-desired medium of exchange throughout the whole United States."

These views will be found to coincide with those which Sir Robert Peel at a later period (May 6, 1844.) proposed in the British House of Commons, as the basis of a new system of banking. I give, for the sake of comparison, an extract from his speech,—hardly thinking it necessary to

add that I do not suppose that statesmen knew of my article: I must, however, confess my gratification that the ideas of so eminent a man as Sir Robert Peel upon the subject of banking should correspond so fully with those I had previously published.

I have recently read the excellent treatise on "Metallic and Paper Money and Banks," by J. R. McCulloch, Esq., contributed to the "Encyclopædia Britannica," in the year 1858, and I have found there the statement (p. 462) "that in dealing with the Bank of England, Sir Robert Peel adopted the proposal, previously made by Lord Overstone, for effecting a complete separation between the issuing and banking departments of that establishment, and giving the directors full liberty to manage the latter at discretion, while they should have no power whatever over the other. It is probable that Sir Robert Peel profited by the suggestion of Lord Overstone referred to, since the latter made his proposal in his evidence before a committee of the House of Commons in the year 1840, as Mr. McCulloch states.*

But Lord Overstone's ideas were utterly unknown to me when in America, and, indeed, since my return to Germany, until I found them recently in this treatise of Mr. McCulloch. I arrived at my conclusions in 1842, through studying the defects of the American banking systems during my residence at New York; and it is, I repeat, in the highest degree interesting and satisfactory to me that such eminent men as Sir Robert Peel and Lord Overstone arrived through their investigations in England at the same result. This coincidence of conclusions drawn from similar facts and observations in different countries, is certainly so strong in favor

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* Mr. McCulloch says in the above-cited "Treatise on Metallic and Paper Money and Banks," p. 462: "It is right to state, that except in so far as he no doubt profited by the suggestion referred to, the measures adopted by Sir Robert Peel in 1844 and 1845 were entirely his own. And they will continue to be enduring monuments of the depth and clearness of his views, and of his administrative ability. This is a point in regard to which the evidence of Lord Overstone is quite decisive; and it is difficult to say whether that evidence redounds more to his lordship's credit, or to that of the illustrious statesman whose claims to the gratitude of the country as the founder of a sound system of currency he has so generously and successfully vindicated. 'I,' said Lord Overstone, 'had no connection, political or social, with Sir Robert Peel. I never exchanged one word upon the subject of this Act with Sir Robert Peel in my life, neither directly nor indirectly. I knew nothing whatever of the provisions of this Act until they were laid before the public, and I am happy to state that, because I believe that what little weight may attach to my unbiassed conviction of the high merits of this Act, and the service which it has rendered to the public, may be diminished by the impression that I have something of personal vanity in this matter. I have no feeling whatever of the kind. The Act is entirely, so far as I know, the act of Sir Robert Peel, and the immortal gratitude of the country is due to him for the service rendered to it by the passing of that Act. He has never been properly appreciated, but year by year the character of that statesman upon this subject will be appreciated. By the Act of 1819, Sir Robert Peel placed the monetary system of the country upon an honest foundation, and he was exposed to great obloquy for having so done. By the Act of 1844 he has obtained ample and sufficient security that that honest foundation of our monetary system shall be effectually and permanently maintained. And no description can be written on his statue so honorable as that he restored our money to its just value in 1819, and secured for us the means of maintaining that just value in 1844. Honor be to his name.'"—*Min. of Evidence*, p. 178, *Committee of* 1857.

of the truth of our common views as to render them in some degree worthy the attention of the reader.

The extract of Sir Robert Peel's speech, which, as I said above, I quote for comparison's sake, is the following:

Sir Robert Peel spoke (May 6th, 1844):

"The practical measure which I have this night to propose, as the plan of Her Majesty's government, I shall now proceed to state. It appears to me to be of great importance that we should have one bank of issue in the metropolis—the Bank to continue to the end of its charter, but the business of the bank to be divided into two separate and distinct departments; the bank of issue to be separated from the general banking business, with different books, accounts, and officers. That to the bank of issue shall be transferred the whole amount of bullion in the Bank of England. That the issue hereafter shall be regulated upon two principles—first, upon the definite amount of securities in its possession; and secondly, upon the amount of bullion in its possession. That beyond this it shall have no power to issue its notes. The amount of fixed securities on which we propose the bank should issue notes, is £14,000,000; the whole of the remainder of the circulation to be issued exclusively on the foundation of bullion, which shall be issued in exchange for coin. I propose that there shall be a periodical and a complete publication of the banking transactions made to the government. I would propose to enact by law that there shall be returned to the government weekly accounts of the issues of notes, the amount of bullion in the bank, and an account of the fluctuations in the amount of bullion, and the amount of deposits. In short, that such accounts shall be returned in reference to every transaction in the Bank of England in the department of issue, and in that of banking; and that the government shall publish unreservedly and weekly the whole amount. We propose that on every issue that takes place beyond the amount of £14,000,000, the profit of it shall belong exclusively to the state. The bank shall not be allowed to issue bank notes for more than £14,000,000, without transferring the entire net profit of that portion of its issues to the use of the government. It is necessary to introduce some controlling check upon the bank."

The experience of late years has led me to some modifications of the plan, which I originally proposed in America, as above stated, for the regulation of the issue of bank-notes, and it now assumes the following form:

1st. As the losses to the public from over-issue of bank-notes far more than counterbalance any private gains, the issue of such paper shall be productive of no pecuniary advantage whatever to the issuer.

2d. The issue of bank-notes shall be strictly separated from the business of banking, as originally proposed: and

3d. This issue of notes shall be placed in the hands of a Board of Issue, formed of men of the highest character and respectability, able to give ample bonds and security for the faithful discharge of their trust, entirely independent both of the government and of the people, yet under the immediate control of Parliament or Congress.

4th. The single basis of the issues by this Board shall be in all cases gold and silver, in coin or in bullion actually deposited.

5th. The amount of the issues shall be determined and fixed by the

amount of coin and bullion deposited; the value of the notes not to exceed in any case the value of the deposits, so that they may be at any time redeemed on demand. Thus the danger of over-issue is necessarily reduced to a nullity, since bank-notes would simply be a representative of values in the precious metals actually deposited in the banks—the amount of notes consequently varying with the amount of gold and silver on hand.*

The real point of difference between my present and my former plan is this, that the basis of the issues shall be bullion alone; that (analogous to the Bank Act of Sir Robert Peel, of 1844) the so-called securities of State shall not in any case take the place of bullion, and be made the basis of an issue of bank paper. It seems clear that the debts of the State should not be a foundation for new debts of banks. The issue and circulation of paper money can never be secure until the idea of making a pecuniary profit out of this issue be quite given up. The only object which can of right be aimed at in its issue is the convenience of the public; the profit of the issuer is nothing when compared with the advantage that the public would gain by perfect security in the value of the paper in circulation.

Although it may appear daring, I cannot omit to express an opinion contrary to the views of Mr. McCulloch and Sir Robert Peel, though with all due and sincere regard for the high authority of these eminent men: viz., that the ability of the Bank of England at all times to redeem its notes in ready money, was not lessened by the circumstance, that its issues to the amount of £14 000,000 are not protected by deposits of gold and silver, but merely by £11,015,000 of government securities, which it has to claim from the public, and £3,000,000 in exchequer bills. It appears to me that in this arrangement too much stress is laid upon the gain, and less on the security, the securities bearing three per cent. interest, and affording at the same time another profit in the issue of the notes, by which the lucrative banking business is carried on, without the actual use of hard money. Sir Robert Peel said on this subject in the speech above quoted: "I have said that we intend to insist on the Bank of England being the department of issue—that the amount of bank-notes shall be regulated partly in a fixed amount of security and the rest upon bullion; the government propose that the amount of the security shall be £14,000,000. We propose to continue (as I see no advantage which could arise from making a change) the debt due by the government to the Bank of England—we propose to continue the existing loan. I know no advantage which would accrue from the government paying off this debt, looking to the Bank as the central bank of issue. We propose that the sum of £11,000.000 due by the government, shall be considered as part of the security upon which the issues shall be effected. There will then remain £3,000,000 of exchequer bills, over which the Bank will have a control." Mr. McCulloch says on this point, page 463 of his treatise: "The notes

* The total cost of issue of bank-notes by the Bank of England is about £100,000. But the Bank of England conducts its issues upon a too liberal scale. Probably, however, the Bank might find means, without injury to the public, of re-issuing her notes, or of otherwise reducing the cost of their circulation. The expense should be borne by the public.

of the Bank of England in circulation for some years previously to 1844 rarely amounted to twenty or sunk so low as sixteen millions. And such being the case, Sir Robert Peel was justified in assuming that the circulation of the Bank could not, in any ordinary condition of society, or under any mere commercial vicissitudes, be reduced below fourteen millions. An the Act of 1844 allows the Bank to issue this amount upon securities, of which the £11,015,000 she has lent to the public is the most important item." And page 467: "There is not the smallest chance that, under ordinary circumstances, or in the absence of internal commotion or panic, the issue of bank-notes will ever be reduced so low as £14,000,000; and it is therefore quite enough for every purpose of security, that the notes above that limit should be issued on deposits of bullion."

Mr. McCulloch argues that under ordinary circumstances the security is quite enough, but he can hardly deny that under extraordinary circumstances it might not be sufficient, for he himself acknowledges in his account of the suspensions of the Bank Act, in the years 1847 and 1857, to how small an amount the deposits of the Bank of England decreased during those bank and commercial crises.* He ought, therefore, to acknowledge, that under uncommon circumstances those securities are hardly sufficient. It seems that Sir Robert Peel wished to change as little as possible in the existing arrangements, and that this is the excuse for this measure. For the following is to be remarked: As the issue of notes to the amount of £14,000,000 is based not upon ready money, but upon the debt due by the government to the Bank, there is immediate danger both to the Bank and to the merchants, whenever in consequence of bad harvests, great importations, speculations or wars, a considerable part of the money and bullion is drawn from the Bank and sent abroad. In consequence of bad harvests, for instance, the amount of money in the Bank of England during the eighteen months from April, 1838, to October, 1839, sank from £10,126,000 to £2,525,000. And yet but a small amount in notes was at that time withdrawn from circulation.

BANK OF ENGLAND.

	Circulation.	Cash on hand
1838. April	£18,987,000	£10,126,000
" October	19,259,000	9,487,000
" December	18,462,000	9,363,000
1839. October	17,612,000	2,525,000
1840. "	17,231,000	4,145,000

In such condition, with so little cash capital in the bank, the £14,000,000 public securities are of little use, except in the case of the exchequer bills, for the purpose of exchanging readily notes for hard money. Mr. McCulloch himself mentions in his account of the suspension of the Bank Act in the year 1857, the insufficient sum of money, viz.: £1,462,153,† which the bank then possessed, "whilst it was the general belief, that this inadequate reserve would be forthwith either much reduced or wholly swallowed up;" and he farther adds that the business of the bank has been conducted of late years with great prudence. Now as the circula-

* Mr. McCulloch's Treatise above quoted, page 468. † Ibid.

tion of notes is in a sound state only when each note can be redeemed in hard money upon demand; and since the bank did everything in its power, according to the testimony of Mr. McCulloch, to act up to this principle of sound banking, it follows that it was out of her power—that that, in those crises, she could not redeem her notes by using those £11,000,000 of Government indebtedness for that purpose. Such securities are not available in times of danger and necessity—the bank can only redeem her circulation in coin, bullion, exchequer bills, and by taking them in payment for bills discounted and bills of exchange.

If the plan above suggested—that no notes should be issued on securities, and that no profits should be made by the issue (the cost of which might be paid by the public)—should be adopted and carried out, no further limitation by law would be necessary, and in all other respects the greatest freedom in banking, or, in other words, the freest competition in the real banking business, might be the result.

Suppose now all notes are withdrawn from circulation save these actual representatives of cash or bullion, which are issued at public cost, without profit to the issuers, simply for public convenience. The notes are necessarily equal in value to coin, because they actually represent it and are at any time redeemable in it; they are better than bills of exchange, because they require no endorsement, and the holder subjects himself to no responsibility for their goodness; they are at once for an entire nation, what the girobanks are for their immediate neighborhoods; they being more convenient to use than coin or bullion would generally be preferred; and hence, would not often be presented for redemption.

In short, the public would only be a gainer, for all danger of a "money crisis" would be at once removed. Commercial crises would, of course, still happen from time to time, but with less violence, since overtrading and the spirit of wild speculation could no longer be stimulated by banks of issue.

The Board of Issue would grant to all banks its notes in exchange for coin or bullion, to be issued in their free banking business, just as is now the case in the department of issue of the Bank of England.

Commerce, in fact all business, would be facilitated, and yet the greatest safety secured—a duty which the Government owes to the people. It would be a safeguard against great fluctuations in prices, certainly against the high prices, which are merely artificial, and the work of speculators, induced thereto by the facility with which they can at times draw funds from the banks as at present constituted. In other words, the consumer would have secured to him a greater power of purchasing,* that is, he would be wealthier.

Mr. McCulloch and others lay much stress upon the fact, that the substitution of notes for coins is a device for the *economizing* of currency, and a *source of profit* to the issuers,† but there is not so much saved by this device as is lost from time to time to the people by repeated bank crises. The profit upon the issue of notes is moreover only a profit to the bank-

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* See Say, Cours complet d'ecnomie politique pratique. Tome II. cap 4.

† J. R. McCulloch, Esq. A Treatise on Metallic and Paper Money and Banks pages 446 and 473.

ing houses that issue them, the public does not participate in it. The banks give notes, which cost nothing but the expense of manufacturing, to the public in exchange for real values which it (the public) has first to produce by its industry. The public thus gives real values for mere pieces of paper, and farther more incurs the risk of loss, being without sufficient security in cases of bank crises. As to the economy of the present system, it depends but slightly upon the issues of notes; on the other hand, it is effected mainly by bills of exchange, of which, in the year 1846, as I was assured by Mr. Heath, then Governor of the Bank of England, nearly £300,000,000 were in course, by the daily exchange of bills to the amount of several millions at the Clearing House, and by the transfer of accounts on the books of the banks.*

But though the economical advantages of notes be all their friends suppose, what are they to the disastrous results caused by over-issues, in the grand explosions, which surely follow the overtrading, and the spirit of hazardous speculation, which they beget? On this point, I refer the reader to the account of the crises of 1745, 1792-3, 1797, 1814-6, 1825-6, 1837, 1847, and 1857, as contained in Mr. McCulloch's treatise.† The reader will see, by reference to a former treatise of my own,‡ that the losses in America during the crisis of 1837, were estimated at $200,000,000.

If we consider the extent of the American crisis of 1857, it is probable, that the losses have been at least of an equal amount. A New York paper counts the losses in the short period alone from the 1st of August until the 20th of October, 1857, at $150,000,000. The London papers of November 6th of that year say:—"The advices which arrived with the last steamer reach to the 24th of October. Nine hundred bankruptcies, with a loss of ninety millions of dollars, have become known." A later communication from New York of January 12th, printed in the *Schlesische Zetung* of February 4, 1858, said that the United States had, during the crisis of 1857, about 5,120 bankruptcies, with debts to the amount of $299,811,000, of which probably the half would be paid. Although these accounts are inexact, still they show that the loss to the public was tremendous. New York papers of November, 1857, stated that about 50,000 persons in that city were thrown out of employment, and had formed dangerous bank mobs, and that everywhere thousands of laborers were idle.

For these reasons, Mr. Buchanan, the President of the United States, condemned the American banking system in his message to Congress of the 8th of December, 1857, and said, that the first duty which banks owe to the public is to keep in their vaults a sufficient amount of gold and

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* I take this opportunity of acknowledging my obligations to Mr. Heath, then Governor of the Bank of England, and to Mr. W. D. Haggard, Principal of the Bullion Department, to whom I was recommended by Baron Bunsen, then Prussian Ambassador, for their kindness in showing me the bank.

† J. R. McCulloch, Esq. A Treatise on Metallic and Paper Money and Banks, pages 456, 459, 460, 462, 467, 491, and 492.

‡ Die neuere Entwickelung des Bankwesens in Deutchland, mit Hinweis auf dessen Vorbilder in England, Schottland, und Nord Amerika, von J. L. Tellkampf, 1856.

silver to insure the convertibility of their notes into coin at all times and under all circumstances.

The losses further, which the public in England has suffered during the last crisis of 1857, are calculated by the *Times* of the 21st to the 24th of Dec., of 1857, a paper usually well informed in money matters, at the enormous sum of £50,000,000. If we compare herewith the profit, which, for instance, the public makes by the issue of notes on the basis of the £14,000,000 of Government securities or debts, and which Sir Robert Peel calculated yearly at about £100,000 in his speech of May 6. 1844, and which Mr. McCulloch estimates at £127,000 yearly, page 207, and which may be considered as a gain to the public, all must confess that it is as nothing in comparison with the enormous losses, which the public has suffered by the bank crisis which occur almost every ten years. We do not know the gain which the other banks make by the issue of notes, but the public makes evidently, and at all events, a losing business of this issue on the basis of government securities, gaining annually £100,000 to £127,000, that is, about a million pounds in ten years and losing £50,000,000 thereby in the same time. The so called economizing by means of this paper currency leads consequently to the very opposite, and appears, accurately viewed, not as a profit, but as a decided disadvantage.

Mr. McCulloch is very right in saying (in the same Treatise, page 449):

"A paper currency is not in a sound or wholesome state, unless—1st, each particular note or parcel of such currency be paid immediately on demand; and 2d, unless the whole currency vary in amount and value exactly as a metallic currency would do were the paper currency withdrawn and coins substituted in its stead. The last condition is quite as indispensable to the existence of a well established currency as the former; and it is one that cannot be realised otherwise than by confining the supply of paper to a single source.

"The issues of paper money should always be determined by the exchange, or rather by the influx and eflux of bullion, increasing when the latter is flowing into a country, and decreasing when it is being exported. And when the issue of paper is in the hands of a single body, a regard to its interests will make it regulate its amount with reference to this principle. But when the power to issue notes is vested in different bodies, some of which may be little, if at all, affected by variations of the exchange, this is no longer the case. And instances have repeatedly occurred of the country banks having increased their issues when the exchange was unfavorable and the currency redundant. Hence the plan of exacting securities is doubly defective, inasmuch as it neither insures the immediate conversion of notes into coin, nor prevents their over-issue."

But if, according to the view of Mr. McCulloch, the Bank of England shall limit the issue and circulation of notes, as soon as it is apparent that exchange is against the country, or rather that bullion is leaving it, I venture to draw attention to the fact that the cause of the efflux of bullion, viz.: the overtrading stimulated by abundant issues, and the consequent imports of goods, has happened in a previous period of time, which later continues to exercise its influence, and that the management of the Bank is at a later period not able to remove this previous cause. The abundant issue of paper having a tendency to raise the prise of goods, the latter would consequently be imported, and sold at high prices; and specie would

be demanded for the paper, in order to be sent out of the country, and this would make a constant draft on the banks. It would, therefore, be happy if there could never exist a too abundant issue of notes. If my plan were adopted, and notes should only be issued in exchange for the precious metals, an over-abundance or over-issue could not take place, as the issue would regulate itself according to the known laws of demand and supply. If much gold was demanded, this would be exchanged for notes, and vice versa; and there would always be as much gold in the vaults of the issuing institution as notes in circulation, and there would never be any occasion to suspend payment or to suspend any bank act; and all calamities connected with those suspensions would be avoided.

It seems to be an advantage of this plan that the issue would regulate itself by the exchange, whilst Mr. McCulloch wishes that the issues should be determined by the exchange by means of the Bank of England; but it ought not to be overlooked that a great discretionary power, not controlled by any check, is hereby put into the hands of the managers of the bank to expand or to contract the issue, and consequently to exercise a great influence on the prices of all goods, a power full of temptation to use it for the interest of the issuer in order to buy and to sell with a sure profit, and not to use it for the general interest. This danger is fully avoided by my proposal.

Differing as I do on these points from the views of Mr. McCulloch, I state that these are the only points of controversy, and that I have been happy to find that his views expressed in his treatise agree in most essential questions with those which I have published in my treatise on "Die neuere Entwickelung des Bankwesens," in the year 1856, and that this was the reason why I translated his treatise of 1858 into German. (The translation has just been published at Leipzig.) I hope that Mr. McCulloch will regard my frank avowal of dissent on some questions as a testimony of the high esteem I feel towards him, being persuaded that so distinguished a gentleman and scholar will excuse the dissenting opinion of one who professes to be merely in search of truth.

Looking back to my proposed plan, I must openly say that I do not expect that this arrangement, which is the most convenient and the least dangerous for the public, will soon be made; but it is rather probable that we must still learn from very serious experience before the conclusion will be adopted that the gain from issue must be given up, which, as experience shows, is the cause of all evil and of all losses of the public. But I hope that perhaps at some later period, at a new revision of the Bank Act in England, these views may receive some attention.

Formerly it was often asserted that among the conditions upon which the creation of the currency could be granted was the unlimited individual liability of the issuing parties; and it is known that upon this condition the important function of the issue of notes has been committed to the banks of Scotland.

Mr. Logan says in his work, "The Scottish Banker," p. 6: "A royal charter cannot in principle confer privileges at variance with the laws of the land, which 'trading under a limited responsibility,' to all intents and purposes, is. An exemption from the ordinary liability of traders would expose the public to loss, in order that a few speculators might reap a benefit." And Mr. McCulloch states the facts that "in 1793 and in 1825,

when so many of the English country banks were swept off, there was not a single establishment in Scotland that gave way." We may account for much of this stability to the unlimited responsibility of the shareholders or partners of the Scottish banks, as furnishing to noteholders and to depositors increased protection against danger of ultimate loss. The experience of the Scottish banks is conclusive as to the beneficial nature of the results springing from the practical application of the principle of the unrestrained liability of individuals, as furnishing to the public a very strong guarantee against fraud; but the principle affords little or no security against those alternate expansions and contractions in the paper currency of a country, and those fluctuations in its real value or purchasing power which tend to give to all commercial undertakings a gambling character; but which are inseparable from the issue, by trading associations, of paper substitutes for metallic money. The only infallible test of the soundness of any scheme of paper issues is to be found in the identity of the phenomena with those which would take place with a currency purely and exclusively metallic, and it is as issuers of paper money that the Scotch banks are chiefly open to criticism. In times of prosperity they push out their notes and credits to an undue extent, and are consequently compelled to diminish them as violently when circumstances alter,—thus inflicting on the public oscillations in the currency much more violent than could occur with a metallic circulation, or with paper regulated on sound principles. It is also notorious, and not denied, that in Scotland the use of gold is almost unknown. In the recent crisis, two of the principal Scotch banks, the Western Bank and the City of Glasgow Bank, were compelled to stop payment, and their management displayed anything but ordinary skill and prudence. The suspension of the offending banks led to a run on some of the other banks. Large amounts of gold were carried from the Bank of England to Scotland, and this led to the suspension of the Act of 1844 in the year 1857. These facts show that the Scotch banking system cannot stand without the support of England, and that its issuing power is not without danger to the public.

But the American banks are still less fit to be entrusted with the power of issuing notes, which they actually possess. The Scotch banks are by far preferable to them. In order to show the truth of what has been said by examples, I shall compare the fundamental principle of the Scotch with the American banking system. The decided superiority of the Scotch banking by unincorporated companies—each member of which is responsible, in his whole personal and real estate, for all the debts contracted by the company, consequently for the whole of paper issued—consists in this fact, that according to this system, self-interest operates as the desired check, and compels the bankers to confine their issues within the limits of ever-ready redemption, so as to avoid ruin. The interest of this system is a careful confinement or curtailment of the issue; the interest of American banking, which has the privilege of trading under a limited responsibility, is the utmost expansion of the issue, or, in other words, the over-issue—that very danger we wish to avoid; it contains in its principles, therefore, the germ of its destruction. The present American banks, as every one knows, issue in competition with other banks as much paper as possible, in order to make large profits during the time of specie payment, as well as during the time of suspension, when they also gain by the discounting of

their notes done by their agents, since no evil accrues to themselves by their suspension, being by favor above the law, like sovereign princes. Over-issue and its too well-known consequences follow, therefore, necessarily from the very nature of this system; and, since such is the case, they will ever follow, just so long as this system exists, no matter what legislative provisions may be made concerning them.*

In the present state of affairs in America, when banks that have made large dividends suspend specie payments, they do nothing to alleviate, but on the contrary break down their debtors, and they buy up their notes by agents at a discount; and thus continue to profit while the people lose by their suspensions. Paper money, it is asserted, is a means of creating capital and of saving labor. If the labor performed in order to preserve the credit of the paper had been bestowed upon the digging of the ore and coining gold and silver, we should have a sufficient amount of a real, in the place of the present imaginary, exchanging medium, which is nothing but the representation of a quantity of goods in the country under bond and mortgage. Banks represent and circulate, but they do not create capital, and they act as stimulus. Justice is, in fact, perverted by the present banking system. The morality of the people, which is worth more than gold, is endangered by the temptation of spending their earnings immediately, so long as this money, which seems to have no permanent value, is thus thrust into the hands of the poor laborers.

There is this difficulty in the way of a reformation: All stockholders, whatever may be the amount of their stock, receive from their present investments greater profits than they would do under a safer system. They would, therefore, prefer the old system until compelled by the people to adopt a new one. The crisis will soon arrive when all paper money will be refused except at the specie value, and the people will unite in demanding a nearer approximation to the specie standard. No legislative enactments can afford an adequate remedy for the evils resulting from incorporated paper money banks; they cannot, surely, be sustained if the people will not take their notes for anything but specie. The poor would be much more happy with a more steady currency, as the wages of common labor adapt themselves more slowly to the changes which happen in the value of money than the price of any other species of commodity. Moreover, the bills of broken banks are more apt to get into the hands of these unhappy people, owing to their ignorance of the value of paper and the condition of banks, and owing, also, to the fact that many heartless and cunning employers, who belong to the better educated class, who *have* the means of knowing these things, pay their poor laborers in the money

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* I here speak only of the comparative value of the systems, neither for nor against bankers and stockholders; what regards the latter—they, in some of the Eastern States, as New York, Massachusetts, &c., deserve for their prudence, during the last years of difficulties, the highest praise; it is the system itself which prevails throughout the States that is to be reformed. If *truth* should clash against the *interest* of some, they must blame truth, not me; or rather they must reconcile *their* interests with the true interests of the country. Truth and justice have always been, throughout all history, and seem ever to be, at war with the interests of those men who pervert the true condition of society to their advantage, against the interest of weaker people.

of these banks, which they know beforehand are worth just nothing. If we put the question whether it would be ever possible to substitute in the United States for their 1,400 banks of issue one single independent institution only for the issue of notes, we should feel inclined to negative this question, for it seems improbable that ever such a change could be made; but still the following reasons speak for such a plan:

Strictly and judicially speaking, all the notes in circulation in the United States of America are illegal, void, and of no value, since the Constitution of the United States clearly declares them to be such; the people could therefore strike upon the simple expedient—as the only true regulator of their currency—never to receive or to pay bank notes.

The most important considerati n with respect to the issue of notes in the United States would be its constitutionality.

According to the Constitution, Art. I, Sec. 8, Congress has no right to create a bank of issue and discount; and this is very wise, for in a country like this, where the acquisition of wealth is the prime object of the majority of the people, and where, notwithstanding, there are but few individuals who possess sufficient to check or counteract the evil influence of a gigantic bank, money power is the greatest and most difficult of all to guard against; such a power, emanating from a United States Bank, would be the greatest power in the country, and would still have no constitutional check, and would therefore be greatly abused.

Instead of it the question is, whether it is possible for the General Government to use the power granted to it in the Constitution, Art. I, Sec. 8, 5, which is as follows, viz: "The Congress shall have power to coin money, regulate the value thereof," &c. This gives to Congress the whole power to regulate the standard of value of money. It is still more evident that it was the intention of the framers of the Constitution that Congress alone should have the sole power, from Art. I, Sec. 10, where it is directly denied to the States in these words: "No State shall coin money, emit bills of credit, or make anything but gold and silver a tender in payment of debts." Consequently, there shall either be no issue of notes at all, or it shall be under the sole control of Congress, but certainly without any discounting, as a bank would not be constitutional. In this case, Congress shall be confined to the letter of the article of the Constitution, and only possess the power of coining and regulating the standard thereof. This opinion appears to be true, since the currency and the value of it is governed by the laws of exchange throughout the world. No government can regulate the currency in any other way than to fix a standard; and this can be best done with specie. As shown above, the States have no control over, nor any right to manufacture notes. For it is a known and settled principle that no one can transfer to another a right which he does not himself possess. "*Nemo plus juris in alium transferre potest quam quad ipse habet.*" Since no State can coin money, or emit bills of credit (under which paper money is included), can they make anything but gold and silver a tender in payment of debts? No State has itself a right to make money, no matter whether gold, silver, or any other material, and therefore it cannot transfer this right to banks by charter, wherefore these charters are wholly unconstitutional. Upon the supposition, however, that it be correct for Congress to control the issue of notes, the plan proposed by me might perhaps be practicable. Con-

gress alone would have the right and the power to prescribe how the issue of notes might be made by one issuing body, whilst all the charters of the State banks and their notes are wholly unconstitutional, and could declared to be so. In order to avoid a crisis, their notes ought to be gradually exchanged for the precious metals.

With these remarks I conclude the discussion of the main object of my article: I merely append some observations on another important subject intimately connected with the credit system, viz., the connection existing between the paper money system and the tariff. If, by an over-issue of paper money, in such countries as intend to use the tariff as a protection of their home industry, prices rise above their customary level, merchants will take advantage of it, on finding that they can import abundantly with profit, over and above the payment of duties, from foreign countries where no artificial paper system swells the price to an equally unnatural extent. In that case the tariff operates no longer as a protection. If, for instance, prices rise forty or fifty per cent., which is no uncommon occurrence during an over-issue of paper money, and if those articles are protected by a duty of twenty per cent, the importer gains still a handsome profit, after having paid the duty; and the producer, for whose benefit the protection was intended, must sell his products with a loss, or cannot sell them at all, in the competition of the market. Therefore, where the tariff is intended as a protection, there also the standard of value must be as stable as possible. Strange, it appears, that the same persons who are for a high tariff, frustrate the latter by their demand for an abundant issue of paper. If the producers understood rightly their own interest, they would not be in favor of such issuing; the speculators only can be in favor of the latter. In regard to the nature of the tariff itself, a revenue tarift, with a protection only of those branches of industry which are natural to the country, and, as such, are apt to acquire a sound flourishing state, seems to reconcile the conflicting interests. By protection is not to be understood a duty equal to a prohibition—for this would annhilate the idea of a revenue—but only such a duty, that the existing branches of industry can stand in competition, and may not be brought to ruin. A protecting duty ought only to be so high, that after its payment, some foreign goods can be imported; this preserves the stimulus of competition, which induces the producers to exert themselves. But to produce and call forth artificially branches of industry, and to form a class of manufacturing laborers, can certainly not be the policy for a country like America, holding out so strong inducements for investments in agriculture, where industry is surely and richly rewarded, without the sacrifice of health, and without the contaminating influences of a dense manufacturing population. The agriculturists—under which I include all who produce the raw material, the lords of their lands—are happier than the manufacturers, and seem to be the very pride of the country. It is evidently for their advantage to purchase their articles for consumption as cheap as possible, and, therefore, it is for their interest to patronize free trade. With an increasing population and wealth, manufactories will naturally grow, as competition for labor will be abundantly added to the vast natural resources. But since all do not prefer the occupation of agriculturists, and since the natural inclination and talent ought to be consulted and regarded in such questions, and since some Americans, like the English,

seem to desire the manufacturing business, the above-mentioned views in regard to a tariff seem to be demanded; but, we must recollect, that whatever is done in the way of protection for the manufacturers, is a sacrifice to their advantage by the whole people. The interests of the United States are, in this respect, very similar to those of the Zollverein, of whose tariff I have spoken in a previous article, to which I refer on this point.

I coincide, of course, with the truths of political economy, in regard to the subject of free trade; and consider, therefore, a revenue tariff as only justifiable, if the artificial condition and policy of other countries disturb not the practical application of those truths.

I conclude this essay with the remark, that I am entirely disinterested in my views, and have no wish to come within the sphere of political contention. I am simply desirous of contributing towards the full discussion of a few of the most important questions regarding the currency now agitated in most countries. *

TRADE OF GREAT BRITAIN AND THE UNITED STATES.

We have received the returns relating to the trade between this country and Great Britain, bringing down the figures to the 1st of July, and from them have prepared the following review. With the exception of breadstuffs, the returns show most favorable results, the totals for the first six months of the present year being greatly in excess of the corresponding period in 1865 and 1864.

The total declared value of the exports of British and Irish produce and manufactures during the six months ending June 30 was £92,857,830. In the corresponding period in 1865, the aggregate value was £74,128,633, and in 1864 £78,047,586. The increase during the present year, as compared with 1865, is no less than £18,700,000; and, on comparison with 1864, £14,800,000. For the month of June, however, owing to the panic in England and the high rate for money, the exports were less than during any preceding month, January alone excepted; and it seems probable, then, when the returns for July shall have been issued, a further diminution will be shown. For each of the six months in each of the last three years, the exports of British and Irish produce and manufactures from Great Britain were as under:

	1864.	1865.	1866.
January	£10,413,586	£10,489,339	£14,354,748
February	12,698,121	11,376,214	15,116,068
March	13,555,674	13,770,154	17,520,354
April	13,225,089	12,071,111	15,866,414
May	14,176,640	13,194,758	15,870,131
June	13,978,526	13,227,062	14,630,120
Total	£78,047,586	£74,128,633	£92,857,830

The return of imports embraces a period of five months; for that period during the current year, the imports were of unusual magnitude.

* For further explanations I refer to my treatise "Ueber die neuere Entwickelung des Bankwesens in Deutschland," and to my appendix to the translation of "Mr. McCulloch's Treatise on Metallic and Paper money and Banks."

The computed real value of the principal articles imported being £92,029,657, against £59,993,184 in 1865, and £77,111,991. The increase in 1866, as compared with 1864, amounts to £23,000,000. In cotton, the increase is no less than £23,000,000—£20,000,000 being the value of the augmented import from the United States—whilst in wheat and flour there is an increase of £3,000,000. For each month in each of the last five years to the close of May, the computed real value of the principal imports was as under:

	1864.	1865.	1866.
In January	£7,590,356	£6,398,922	£9,847,564
February	13,214,541	12,891,252	16,610,159
March	16,396,928	13,005,394	19,891,204
April	17,587,565	12,078,755	22,455,968
May	22,392,601	14,595,384	23,234,762
Total	£77,111,991	£59,993,184	£92,020,657

Respecting this country, the value of the export trade in British and Irish produce and manufactures during the five months ending May 30, was nearly £9,000,000 greater than in 1865, and £3,000,000 in excess of 1864. The extent of this trade in each year will be seen in the sub-joined statement:

	1864.	1865.	1866.
To Atlantic ports, Northern	£9,932,246	£4,775,736	£12,456,897
" Southern	55,463	21,948	502,515
Pacific ports	330,828	157,747	290,745
Total	£10,318,537	£4,955,433	£13,249,95

COTTON.

The return relating to this staple presents many features of interest, the principal of which is the very large increase in the import from the United States. The arrivals from the East Indies have also been on a very extensive scale, and exceed any former period. Brazil also shows an increased exportation, whilst from Egypt and Turkey the receipts show a considerable falling off, more especially as regards the latter country. From China there has been no importation during the present year. In the month of June, out of a total import of 1,677,672 cwts., 759,160 cwts. were from the United States, and 728,646 cwts. from the East Indies. Annexed is the statement of imports for the six months:

	1864.	1865.	1866.
From United States.....cwts.	92,069	70,335	3,231,089
Bahamas and Bermudas	155,244	152,076	5,931
Mexico	141,115	220,393	3,145
Brazil	182,216	222,506	408,678
Turkey	124,047	152,697	72,531
Egypt	708,244	769,871	619,538
British India	1,608,773	1,135,842	2,378,199
China	411,369	210,885	.....
Other countries	123,891	174,948	182,681
Total	3,546,968	3,108,853	6,857,742

The computed real value of imports for the *five* months, was as follows:

	1864.	1865.	1866.
From United States	£675,286	£443,853	£20,221,557
Bahamas and Bermudas	1,652,083	1,230,405	24,089
Mexico	1,648,955	1,399,989	28,591
Brazil	1,709,909	1,556,298	2,802,973
Turkey	995,657	645,193	482,520
Egypt	7,388,725	5,323,848	5,020,493
British India	11,621,924	4,688,073	9,066,887
China	2,610,089	936,099	.....
Other countries	1,038,060	959,129	750,642
Total	£29,340,681	£17,182,887	£38,397,753

The exports of cotton from Great Britain show no proportionate increase to the imports, only 370,000 cwts. having been taken this year more than in 1865. The following were the quantities taken for export from Great Britain in the first six months of each of the last three years:

To	1864. cwts.	1865. cwts.	1866. cwts.
Russia	121,290	83,074	129,471
Prussia	6,793	15,381	31,383
Hanover	31,652	13,287	5,618
Hanse Towns	261,979	234,177	405,076
Holland	206,847	184,873	296,531
Other Countries	428,342	561,573	742,874
Total	1,056,902	1,182,364	1,550,953

BREADSTUFFS.

Our latest advices from England report more firmness in the wheat trade, with an upward tendency in prices. The markets in England have recently been subjected to numerous fluctuations. The commencement of the war on the Continent of Europe caused prices to advance 6s. to 10s. per quarter; but the probability of the conflict being brought to a termination, combined with fine harvest weather, and favorable prospects respecting the crops, had the effect of producing considerable heaviness in the trade, and the improvement above noted was subsequently lost. We learn, however, that the weather in England had become changeable, and as harvest work had just been commenced, much anxiety was felt. At latest date, there were no sellers of wheat, except at high prices. In France, the crop of wheat is much below last year, but is, nevertheless, about an average in extent. A good crop of wheat has been secured, both as regards quantity and quality. Subjoined is the statement of imports of wheat, maze and flour into the United Kingdom for the six months ending June 30:

WHEAT.

From	1864. cwts.	1865. cwts.	1866. cwts.
Russia	1,195,411	2,693,890	3,649,398
Prussia	2,806,983	2,260,322	1,663,193
Denmark	434,388	293,985	148,615
Schleswig, Holstein, and Lauenburg	129,758	134,040	73,507
Mecklenburg	324,047	280,768	302,295
Hanse Towns	340,539	245,822	315,701
France	437,394	460,662	2,683,389
Turkey, Wallachia, and Moldavia	227,357	352,293	295,973
Egypt	366,842		7 012
United States	3,879,304	212,901	315,160
British North America	140,422	21,187	8,789
Other Countries	234,422	586,068	2,045,714
Total	10,047,102	7,462,268	11,508,676

FLOUR.

From	1864. cwts.	1865. cwts.	1866. cwts.
Hanse Towns	173,911	129.294	130,352
France	1,348,316	1,231,390	2,713.046
United States	1,102,554	108,694	164,735
British North America	101,337	14.186	6,149
Other Countries	58,646	78,872	120,309
Total	2,744,751	1,562,375	3,134,484
Indian Corn	1,063,916	2,076,918	6,151,932

It is curious to observe that the return for June shows, for the first time on record, probably, no importation of wheat from the United States, and only 1,023 cwts. of flour. For Egypt, in June, 7,012 cwts. of wheat were

received, being the first supplies for a considerable period. It may therefore be presumed that Egypt has at length grown sufficient wheat for her own consumption, and is again likely to become an exporting country. For some period, owing to the remunerative prices obtained for her cotton in England, the cultivation of cotton was so much extended, whilst that of wheat was so greatly reduced, that Alexandria became an importer of wheat, and was compelled to purchase large supplies of produce at ports in the Black Sea and Sea of Azoff. The close of the civil war and the fall in the price of cotton appear, therefore, to have brought agriculture in Egypt to the position in which it stood previously to the outbreak in this country.

BRITISH AND IRISH PRODUCE AND MANUFACTURES.

The statement is very favorable, so far as the six months is concerned, and although there is a falling off in June, as compared with May, the figures for June present very satisfactory results. For the six months ending June 30, the declared value of the exports of the leading articles of British and Irish produce and manufactures was as follows:

Alkali	£227,713	£197,889	£473,076
Beer and ale	32,587	17,329	35,543
Coals	55,756	45,912	40,494
Cotton Manufactures—			
Piece goods	1,244,635	642,648	2,052,299
Thr ad	137,597	50,855	188,511
Earthenware and porcelain	223,357	164,180	375,928
Haberdashery and millinery	616,999	325,435	758,318
Hardwares and Cutlery—			
Knives, forks, &c	73,678	60,794	145,540
Anvi e, vices, &c	57,622	37,652	55,546
Manufactures of German silver	178,761	82,689	345,394
Linen Manu actures—			
Piece goods	1,595,120	1,123,345	2,187,621
Metals—			
Iron—Pig	188,736	52.617	157,351
Bar, &c	568,144	77,395	281,948
Railroad	640,844	128,898	435,280
Castings	11,445	1,908	9,554
Hoops, sheets and boiler plates	180,947	26,398	167,463
Wrought	189,581	72.609	117,694
Steel—Unwrought	328,500	140,930	332,348
Copper, wrought	12,971	18,098	26,546
Lead, pig	173,941	16,547	62,231
Tin plates	512,086	399,132	740,735
Oilseed	45,942	1,548	119,391
Salt	17,932	13,492	67,583
Silk Manufactures—			
Broad piece goods	61,794	31,050	85,054
Handkerchiefs, scarfs, &c	15,169	999	5,635
Ribbons	27,441	12,077	28,199
Other articles	65,738	49,144	63,758
Other articles mixed with other materials	26,190	13,541	35,197
Spirits, British	9,678	867	7,167
Wool	35,742	366	342
Woollen and Worsted Manufactures—			
Cloths of all kinds	622,281	171,793	539,811
Carpets and druggets	245,860	75,457	386,386
Shawls, rugs, &c	53,414	9,319	20,672
Worsted stuffs of wool only, and of wool mixed	1,526,846	920,758	2,028,079

PROVISIONS.

With the exception of cheese, the imports are in excess of last year. Of eggs, the imports into the United Kingdom in the six months ending June 30, were on a scale of great magnitude, and greater than in any former year. Considering the high prices, however, the imports do not

show so large an increase as might have been expected. For the six months the imports were as under:

	1864.	1865.	1866.
Bacon and hams, cwts	615,965	408,449	451,744
Beef, salt, cwts	234,187	181,471	131,621
Pork, salt, cwts	134,134	96,560	123,179
Butter, cwts	409,203	455,752	464,645
Cheese, cwts	234,176	240,503	190,409
Eggs, number	172,450,000	195,818,160	249,290,280
Lard, cwts	101,616	76,000	193,293

LIVE STOCK.

The imports of sheep into Great Britain have increased, but of other stock they have declined. As regards beasts and calves, the decline arises from the circumstance that the British Government have prohibited the importation of cattle from Dutch ports, and only within a very short period has the prohibition been rescinded so far as Friesland and Groningen are concerned. Below we give the imports of livestock into Great Britain for the six months ending June 30:

	1864.	1865.	1866.
Oxen, bulls and cows	47,966	74,393	72,812
Calves	15,928	18,785	9,122
Sheep and lambs	129,350	250,212	411,729
Swine and hogs	18,803	38,706	29,873

SHIPPING.

During the month of June, and the six months ending with June, the following number of American vessels entered and cleared at British ports in the United Kingdom:

	Number.	Tonnage.
Entered in June, 1866	39	38,026
do 1865	11	11,236
do 1864	29	31,884
Entered six months ending June 30	230	232,512
do do do 1865	117	127,068
do do do 1864	202	231,871
Cleared in June, 1866	50	52,317
do 1865	20	18,993
do 1864	30	31,709
Cleared six months ending June 30	283	283,328
do do do 1865	158	156,279
do do do 1864	213	225,639

The annexed statement shows the number of vessels, of all nationalities, entered and cleared at ports in the United Kingdom, from and to the United States, in the above periods:

	Number.	Tonnage.
Entered in June, 1866	143	128,930
do 1865	34	45,981
do 1864	97	85,861
Entered in six months ending June 30, 1866	848	782,046
do do do do 1865	285	276,033
do do do do 1864	515	5,111,838
Cleared in June, 1866	91	106,670
do 1865	71	78,500
do 1864	93	90,188
Cleared in six months ending June 30, 1866	789	768,746
do do do do 1865	366	432,541
do do do do 1864	637	649,703

PITTSBURG—ITS PRESENT AND FUTURE.

BY J. A. BLAKE.

Pittsburg is the greatest and the richest mining centre in America. It ranks the third city in manufactures, and its commercial facilities are unrivaled. Situated the confluence of the Monongahela and the Allegheny, the banks of the former ribbed with coal veins and beds of iron ore from source to mouth, and the banks of the latter, with its tributaries, bordered by the richest oil lands in the world; at the head of navigation on the Ohio, by which she has commercial intercourse with the whole great South and West, and the cities across the ocean; at the junction of the two richest rail thoroughfares in the country; yearly planning and receiving new channels for her trade East, West, North, and South; and extending a net-work of railroads that control and bring to this city the products of every mining field within a radius of two hundred miles; forging the great guns and the iron clads that made the old Union strong again; and making ploughshares, engines, and implements of agriculture for the "piping times of peace;" the centre of the great steel, iron, and glass works; a Newcastle, a Sheffield, a Birmingham, a Staffordshire; everything that any city could ever aspire to be, in commercial, manufacturing, mining and political position, is Pittsburg.

It is our purpose, in this article, to find out the chief elements of our prosperity, to give statistics of our trade, to exhibit our present wealth and commercial importance, to speak of the obstacles where we might mend and of the facilities where we excel, and to trace our future. We shall begin by stating the element that has both been the beginning and the chief cause of our prosperity.

THE COAL TRADE.

The coal fields surrounding Pittsburg are 15,000 square miles in extent. The developed fields lie along the Monongahela, Youghiogheny, and Allegheny Rivers, and along sections of the Pennsylvania, Connellsville, and Pittsburg and Steubenville railroads. The collieries of the Monongahela, which mainly furnish the markets with "Pittsburg Coal," are about seventy in number, covering 12,894 acres, and valued at $4,809,875. They employ 3,485 hands. It is estimated that they have furnished, in the last twenty years, 13,097,581 tons of coal. The value of tolls collected from shipments of coal in the several pools of the Monongahela slack-water, during 1865, was upwards of $85,000, an increase of $45,500 in two years.

The coal freights of the Youhiogheny are brought to this city by the Connellsville Railroad. There are 22 collieries along this road. They embrace 3,929 acres, and are valued at $1,000,000. They employ 900 men. From these collieries the average amount transported over the Connellsville Railroad, for the past five years, has been about 2,000,000 tons, worth $5,000,000.

In the hills immediately circling the city there are some ten or twelve coal works, covering an area of 1,570 acres, valued at $1,256,000, and giving employment to about 1,500 hands. Several of our rolling-mills across the Monongahela, in Sligo and Birmingham, are supplied directly

by collieries a few feet above them. Graff, Bennett & Co., who consume nearly 10,000 bushels a day, mine their coal in the adjoining hillside. These "city mines" furnish nothing for outside markets. They yield a yearly product of 3,000,000 bushels, all of which is consumed by our rolling-mills and ironworks.

The collieries that border the Pennsylvania Railroad from this city to the "foot of the Mountain" are not usually classed as in Pittsburg measures, though the most valuable lie nearest this city. The bulk of the bulk of the trade goes East. Those immediately in the vicinity of the city cover about 1,000 acres all told, employ 400 hands, and send to this market an annual average of about 4,500,000 bushels. The Allegheny Valley collieries, though neither very numerous nor productive, extend over a large tract of territory, perhaps 1,500 acres, and employ about 500 hands. From these collieries, the Allegheny Valley Railroad brought to this city last year about 70,000 tons. These coal lands are considered exceedingly valuable, and but for the limited facilities for transportation at the very season when their product is most called for, they would no doubt be extensively worked.

The exact depth and value of the coal measures around Pittsburg it is impossible to figure. But the upper seam alone averages eight feet in thickness. An industrial writer figures the contents at 53,516,480,000 tons, which, at $2 per ton, would be worth $107,032,860,000. The total number of collieries at present in operation in the Pittsburg coal field, embracing the whole range which we have described, is 103; hands employed, 6,424; value of lands, $7,589,700; value of annual coal product, $5,000,000.

It is impossible to point out in figures the influence of the coal trade on the birth and growth of Pittsburg. It has opened the way for all our great manufactories, gives employment to nearly 7,000 miners, and twice as many artisans, has made men wealthy, built our churches, educational institutions, and charity schools. In fact, coal is Pittsburg. It built Pittsburgh. made it a rich, populous city, put into its coffers such abundant solid wealth that, when the rebellion came, it lost $30,000,000 without shaking its credit.

OUR OIL TRADE.

A discussion of our manufactures would naturally follow what we have said about the coal trade, but we prefer to consider our oil trade first, not because it is in the front rank of all our industries merely, for it overtops them all, but because it is more in the province of this journal, and its sudden and unparalleled growth and influence on our prosperity demand large figures. Five years ago, the oil trade of Pittsburg was in its infancy. The following table will show its progress and value. The receipts by the Allegheny River for seven years, ending December 31, 1865, were as follows:

Years.	Barrels.	Av. price of crude.	Vessels.
1859	7,087	$....	$..... ..
1860	17,161	....	....
1861	94,102	2 75	258,780 50
1862	171,774	1 75	300,604 50
1863	175,181	3 87	677,950 37
1864	476,989	10 25	4,888,624 75
1865	1,200,000	9 50	11,400,000 00
Total in seven years	2,142,194		$17,525,960 12

The oil receipts by the Allegheny Valley Railroad for the past two years have been:

	Barrels.
1864	187,870
1865	650,000
Total in two years	839,870

The exports of oil over the Pennsylvania Railroad form this city in 1865 were 465,825 barrels, or an average of 1,503 barrels per day for the working days.

This vast trade has created other branches of business. It has given employment to thousands of boatmen on the Allegheny; has widened the demand for barges, tugs, and steamers; has built sixty refineries in our suburbs that furnish the domestic and foreign markets with the great bulk of their supply, and to do a business amounting to $7,000,000 per year. It has built portable engine, tanking, still, boiler, and oil tool works, that send to the oil regions of Pennsylvania and Virginia $2,500,000 worth of material per year. This trade has made railroads necessary in the oil regions, and Pittsburg has furnished the rails; steamers, and Pittsburg has built them; capital and labor, and Pittsburg has furnished it; in fact, the development and early success as well as the prominence of the oil trade in Venango County is due, two thirds, to the energy and tact of Pittsburg capitalists.

Pittsburg is the great centre of the oil trade—a trade whose value to the country is $65,000,000 a year, and the revenue from which, to the Government, is also counted by millions. The tax on the refined oil, in this city, during the single month of October, last year, was $36,051 10, gain of $13,095 30 over 1864. That some idea may be formed of the amount of business done by our oil merchants, it is sufficient to instance Messrs. Waring & King, who, in the single month of August last (a dull month), sold 62,231 barrels, and Tack Brothers & Co., who sold 30,000 in the same time. The value of the refined and crude oil shipped over the Pennsylvania Railroad, from this city, last year, was over $15,000,000.

Let us take a cursory glance at the source of our present and expectant supply of oil. Venango County lies along the headwaters of the Allegheny River and its tributaries. This river, either by main stream or its branches, navigable to the very wells themselves, is our chief and only direct thoroughfare for the oil trade. One million dollars would complete the Allegheny Valley Railroad to the very heart of the oil regions and bring us so close to the great supply that no city in the Union could ever hope to compete with us for the trade. But this is not done. And our enormous trade is clogged when the river closes every year. But let us look at the wealth of the district from which our wealth indirectly comes. From the returns of the Collector of Internal Revenue for the district embracing Venango County, it appears that the Government received the the following revenues from crude oil for the months indicated:

April, 1865	$111,921 50	July, 1865	$181,288 55
May, 1865	98,894 50	August, 1865	200,000 00
June, 1865	412,258 44	November, 1865	246,734 00

The tax on refined during the same time in that district amounted to $700,000. The total tax on crude and refined, for the first six months of last year, was $1,738,095. For the whole year, 1865, it was $2,897,032 03. In 1863, the revenue derived was $649,962 00; in 1864, $2,255,238 80.

We give the above exhiit that some idea may be formed of the real value of the oil supply. But this must fall far below the actual figures, for the enormous tax on crude oil has cheated the Government out of half its dues, falsified the figures, and put a discount on the production which otherwise there would be every temptation magnify.

All the oil that comes to Pittsburg from Venango County comes to its natural and easiest market. Upper Oil Creek, Bennehoff Run, and Pithole send considerable oil to Philadelphia, New York, and Cleveland, direct, by the Oil Creek, Atlantic & Great Western, and Philadelphia & Erie Railroads. This is largely the case when the navigation of the Allegheny is impeded. For instance, during December the Oil Creek Railroad transported 45,000 barrels of crude to Corry. Pittsburg gets none of the oil that seeks that outlet. With these statistics, we leave the oil trade. We have now to discuss Pittsburg manufactures.

In manufactures, Pittsburg is pre-eminently great. The natural facilities, the capital, the energy that cluster to this point make us the Birmingham of America. Our growth is unprecedented. The total value of all the manufactures in Pennsylvania in 1850 was but $155,000,000. The value of Pittsburg manufactures is now more than two-thirds that amount. The value of iron and steel manufactures in the United States in 1860 was $180,140,615. The value of our Pittsburg iron and steel trade last year was over $20,000,000, or one ninth the whole product. On this aggregate value, the direct tax actually paid was $3,882,546. Pittsburg paid $438,972. In the returns made to the Revenue Officers of this city for eighteen months, from September, 1863, to March, 1865, we find the following statistics of sales in the articles of iron and steel:

Axes, shovels, saws, spades, mattocks, picks	$1,123,146 00
Forging, oil stills, tanks, boilers, shafting, steamboat irons, oil tools	1,640,168 00
Bolts, nuts, spikes, rivets, nails, washers	3,818,559 00
Railroad chairs, springs, axles	1,200,000 00
Iron and steel bar, sheet, plate, pig	28,848,123 00
Wrought iron gaspipe, horse shoes, edge tools, ironware	481,120 00
Machinery, castings, domestic hardware	6,892,087 00
Total	$42,998,203 00

The total production of steel of all kinds in the United States in 1865 was 18,000 tons. Pittsburg alone produced 10,000 tons, and the capacity of her steel works is 48,000 tons per annum. We control all the iron, steel, and glass markets of the West and South. Our factories multiply more rapidly than our houses. As an instance of the multitude of the iron and steel business to the railroads centering here, we may state that, in the single month of July last, the imports of iron by the Pennsylvania Railroad amounted to 1,730 tons. The number of cars employed in transferring this product was 173, and yet this was the dullest month the iron trade had experienced for years, and represented only about one-third our usual business.

Some idea of the growth of our manufactures may be gathered from the fact that the returns of October, 1865, showed a business of $219,691 14, while those of October, 1864, were but $185,803 07. The amount of steel exported by rail in the year ending September 1, 1864, was 11,874,-202 pounds against 7,824,873 pounds for the previous year. About the same amounts with the same ratio of increase are exported by river.

The cost of "running" our manufactures may be imagined from the fact that our foundries pay out over a million dollars annually in wages, and consume 50,000 tons of metal. Our Fort Pitt Cannon Foundry paid weekly wages to workmen averaging $5,000 during the war. Our glass factories pay $175,000 monthly in wages. Our iron works employ over 9,000 hands, and pay annual wages of over 3,000,000.

The ratio production between this city and other cities, States, and the United States, of some of the principal manufactures, gives Pittsburg an extraordinary record. We produce one-half of all the steel manufactured, and one-fifth of all the copper used in the country. The annual value of the glass trade of the city is understated when given at seven millions of dollars, yielding an internal revenue to the Government of about $350,-000. That of the glass factories east of the mountains is given at $3,123,-000, and as yielding an internal revenue of $156,150. It is, therefore, apparent that glass manufacturing at Pittsburg is in all things quite double that of the rest of the United States. We refine nine-tenths of all the oil that goes to foreign markets.

The quality of some of our manufactured products are such as no city, State, or Nation can rival. The best brands in the nail markets everywhere are the Juniata, Clinton, Kensington, and Eagle. The iron market of the country put forward Wayne, Sable, American, Sligo, and Duquesne. The favorite brands of glass in all markets is O'Hara, Arsenal, and Phœnix. And in our home and foreign trade for refined oils, the call is for Standard, Soho, Petrolite, and Globe. The best qualities of manufactured steel in the country bear the mark Black Diamond, Sheffield, and Wayne.

TRADE WITH BRITISH AMERICA.

PREPARED BY MR. JAMES W. TAYLOR, SPECIAL AGENT OF THE TREASURY DEPARTMENT.

(Continued from page 116.)

The table accompanying the imports of 1864 and 1865 is as follows:

Articles.	Val. 1864.	Val. 1865.	Articles.	Val. 1864.	Val. 1865.
Animals	$288,344	$261,568	Fruit	$35 380	$36,454
Beef and pork	49,817	92,764	Grain	46,525	50,909
Butter and lard	149 823	114,133	Gypsum	43,750	45,350
Coal	806,314	1,253,650	Hides and skins	51,995	74,071
Codfish	1,278,582	1,411,377	Oil—viz.: fish oil	101,702	194,505
Herrings & alewives	218,046	452,337	Stone, building	32,902	19,382
Mackerel	1,107,039	1,077,273	Vegetables	121,287	183,252
Salmon and trout	68,829	62,177	Woodware, unmanuf.	855,840	762,585
Scale fish	153,810	214 574	Unenumerated	240,337	619,971
Other fish	28,734	64,528	Foreign productions	1,397,221	1,840,193
Total				7,172,817	8,830,693
Total increase				1,657,876	

Deducting the foreign productions, it will appear that Nova Scotia exported about $7,000,000 of her own productions last year.

The exports were divided thus:

Great Britain	$764,742	United States	$3,619,797
B. N. American colonies	1,701,054	Spanish West Indies	389,894
British West Indies	1,966,459	Other countries	397,747
			$6,880,693

The principal articles exported to the United States were:

Coal	$1,085,745	Hides and skins	$23,952
Fish of all kinds	1,362,799	Stone	15,563
Fish oil	117,862	Vegetables, including potatoes	148,784
Grain of all kinds	28,639	Wood and lumber of all kinds	160,044
Gypsum, lime, and plaster	40,580		

Coal and lumber are such necessities to New England that the supply of those articles will not probably be diminished by the abrogation of the reciprocity treaty. It is also alleged that the high priced soft pine lumber of New Brunswick, hitherto furnished exclusively to American manufacturers, must continue to be exported hither, whatever the duty, as "it is required for fine work and finishing purposes, and there is no substitute."

The shipping of Nova Scotia is now registered at 3,898 vessels, worth $13,347,500, of which 491 vessels, valued at $2,923,058, were registered during 1865. These earn freights in all directions, and are sold abroad very frequently. They are built and held by joint stock associations, often in moderate shares, and constitute a lucrative and increasing branch of business.

The tariff of Nova Scotia has always been low—an average of 10 per cent. *ad valorem.* Recently, however, since the abrogation of the reciprocity treaty, the Parliament of the province have advanced the duties upon spirits, wine, and tobacco fully one-third, and imposed duties upon articles which were free under the reciprocity treaty, as follows:

Bacon, per 100 lbs	$2 00	Hams, per 100 lbs	2 00
Beef, per bbl	1 00	Lard, per 100 lbs	1 75
Bread, navy or pilot, per 100 lbs	0 20	Onions, per 100 lbs	0 50
Butter, per 100 lbs	1 75	Pork, per bbl	1 00
Cheese, per 100 lbs	1 00	Tobacco, unmanufactured, per lb	0 05
Flour, (wheat) per bbl	0 25		

If the confederation of the British provinces is accomplished, removing all intermediate duties, and communications with Canada are facilitated by railway and a St. Lawrence line of steamers, a material diversion of trade from the United States is likely to occur. The course of trade as developed between New England and the maritime provinces during the last ten years has been well described by Hon. Joseph Howe, of Nova Scotia: "The small vessels which bring to the United States plaster, coals, grindstones, cordwood, fish, and potatoes from the maritime provinces, take back furniture, boots and shoes, indiarubbers, books, prints, hats, patent medicines, agricultural implements, and hundreds of other conveniencies, necessities, and luxuries. * * American manufactures are admitted to entry at mere revenue duties of from 10 to 12½ per cent. British manufacturers pay the same. The mill owner in Lowell can place his goods in Halifax market, paying the charges of transportation of less than five hundred miles, while the mill owner in Manchester is compelled

to pay the same duty and transportation charges of over twenty-five hundred miles of distance. * * Again, every machinist and artisan is interested in the trade. The grindstones of Nova Scotia are made from reefs covered by the high tides of the Bay of Fundy, and left bare when the tides recede. The grit is peculiarly fine. These stones are used in preference to all others in the workshops of New England, and go far back into the interiors. They are almost a necessity of the manufacturing industrial life of the United States."

Some further details of the mineral resources of Nova Scotia will illustrate the value of close commercial relations with the United States."

The more important coal-fields of this province are those of Cumberland county, lying in the immediate vicinity of the Bay of Mines; those upon the Gulf of St. Lawrence, of which Pictou is the centre, and those of the eastern part of Cape Breton, contiguous to the harbor of Sydney. The Cumberland coal-fields have been only slightly worked, the largest veins discovered lying some twelve miles from navigable water-courses. The coal-fields at Pictou lie immediately upon tide-water. One of the veins has a thickness of thirty-six feet, more than twenty-six feet of which is workable coal. The deposits near Sydney are already ascertained to underlie 250 square miles—an area nearly equal to the entire workable area of the anthracite coal-fields of Pennsylvania. They are contiguous to an excellent harbor, with which the more important veins are to be speedily connected by a railway.

As soon as the necessary works can be completed, the supply from these mines may be made equal to any possible demand. Tha veins crop out at the surface, and probably 50,000,000 tons of coal can be raised from them without going below water-level. There are several other deposits in Cape Breton which only have been slightly worked. In reference to the Cumberland coal-fields, Mr. Dawson, in his Acadian geology, remarks: "These veins form reserve of coal, waiting their full development till railways extend across them, or till domestic manufactures demand a supply of mineral coal in the provinces." The railway now in progress from the European and North American Railway, in New Brunswick, to Truro, will pass over a portion of this coal-field.

The following statements will show the amount raised and sent to market from the coal-fields for the past ten years:

Years.	Tons.	Years.	Tons.	Years.	Tons.
1856.....	291,934	1860.....	304,129	1864.....	500,000
1857.....	267,808	1861.....	334,548	1865.....	632,854
1858.....	286,618	1862.....	393,621		
1859.....	267,496	1863.....	424,525		

With proper means of access to these mines, there is no reason why, within five years, the amount of coal raised and sent to market from the provinces should not exceed 2,000,000 tons annually. The means of sending them to market are unlimited, as the ocean is their highway.

In reference to the subject of coal-mining in Nova Scotia, the Chief Commissioner of Mines, Mr. Hamilton, in his report, says: "There are now thirty collieries in operation in Nova Scotia. Some of these are only barely opened, but, with one or two exceptions, works are vigorouly prosecuted in all of them, and with good prospects of great and early extension at an early day. The total quantity of round and slack coal sold from th mines for the year ending 30th September, 1865, was 652,854 tons. In

addition to the territory of the General Mining Association, there are now thirty-one square miles of territory under coal-mining leases. The extent of acres under license amounts to 1,920 square miles. The spirit and activity exhibited in carrying on explorations upon the greater number of these areas under license, and the success which, in many instances, attend such exploration, indicate an early and important increase in the number of collieries in Nova Scotia. I need scarcely observe, that while the products of our mines are thus rapidly increasing, and promise to do so for a long time to come, the demand for these products in the market seems to increase in a much more rapid ratio." *

The year 1865 has also demonstrated the permanent productiveness of the gold mines of Nova Scotia. These are under the direction of the Commissioner of Mines, and the government reserve a royalty of three per cent. of their gross receipts.

It appears from the Commissioner's report that the aggregate amount of gold upon which royalty has been paid during the year exceeds that of the preceeding twelve months by about 33 per cent. The quantities are: For the year ending September, 1865, 24,867 ounces; for the preceding year 18,744 ounces; increase 6,123 ounces. There is also an increase in the average yield of gold per ton of quartz of about five per cent., and a very considerable advance in the amount of the yield for each man engaged in mining. In 1863, the average yield per man was 95 cents a day; in 1864, it was $1.30, and in 1865, $2 12. In these calculations the gold is rated at $18.50 per ounce, which is below its market value. The value of gold produced last year was $509.080, (paying $18,038 in rents and royalties;) in 1864, $400,440; in 1863 $280,020, and in 1862, $145,500. †

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* See report of the Joint Standing Committee of the Massachusetts Legislature in favor of State aid to the European and North American Railway between Boston and Halifax.

† The following is the commissioners' statement of the number of hands employed in these mines, the tons of quartz raised and crushed, and the daily yield of gold per man employed for the past year:

NUMBER OF HANDS EMPLOYED

	Yearly aggregate.		Daily average.
1865	312,966	1865	500
1864	252,720	1864	877
1863	273,694	1863	810
1862	156,300	1862	682.583
Total	895,310	Mean	717.395

QUARTZ RAISED.

	Yearly aggregate.		Daily avg. per man.
1865	50,002,500	1865	234,791
1864	43 469,600	1864	165,050
1863	34,150,490	1863	124.807
1862	13,480,000	1862	86,410
Total	140,102,500	Mean	156,482

QUARTZ CRUSHED.

	Yearly aggregate.		Avg. gold 100 lb. Dwt.	Grs.
1865	43,846,600	1865	1	0.902
1864	42,887,696	1864	–	23.312
1863	34,150,400	1863	–	19.647
1862	13,480,000	1862	1	0.790
Total	139,364,696	Mean		22.805

DAILY YIELD OF GOLD PER MAN.

	Dwt.	Grs.	Gold val.
1865	2	8.571	$2 33
1864	1	14.030	1 58
1863	1	0.662	1 02
1862	–	23 395	94

The fisheries upon the coasts of the maritime provinces will always be a leading interest, and is especially so to the people of Nova Scotia. Their importance was felicitously illustrated by Mr. Howe, in a speech at the Detroit commercial convention of July, 1865. "You have behind and around you here," he said, addressing an assembly of Americans, "boundless prairies, which an all-bountiful Creator annually covers with rich harvests of wheat and corn. The ocean is our prairie, and it stretches away before and around us, and Almighty God, for the sustenance of man annually replenishes it with fish in myriads that cannot be counted, having a commercial value that no man can estimate. The fecundity of the ocean may be estimated by the fact that the roes of thirty codfish annually replace all the fish that are taken by the British and French and American fishermen on the Banks of Newfoundland."

Under the late reciprocity treaty the interests of New England connected with these northeast fisheries were materially advanced. The fishing industry of the Atlantic States, exclusive of the whale fishery, amounted in 1860 to $4,500,000, of which $3,000,000 was taken upon the coasts of the provinces.

PRINCE EDWARD ISLAND.

The area of Prince Edward Island is 2,100 square miles—the least of the provinces, as Delaware with 2,120, and Rhode Island with 1,306 square miles, are the least of the American States. The population of Prince Edward Island, in 1864, was 85,992, or 40.95 to the square mile; income, $214,448, of which $162,733 was from customs at an average tariff rate of 12 per cent.; imports, $1,638,946; exports $982,699. The trade with the United States was 24 per cent. of imports, and 50 per cent. of exports—the general character of the trade being similar to that of Nova Scotia.

NEWFOUNDLAND.

The area of Newfoundland is 40,200 square miles: population in 1864, 137,000; revenue $518,781, of which $504,037 was from customs at an average impost of 11 per cent.; imports, $5,175,251; exports, $5,389,951. Trade with the United States is 33 per cent. of imports, but a small proportion, not more than 5 per cent., of exports,

BRITISH AMERICAN COLONIES EAST.

As a sequel to the foregoing details, which have been given with special reference to the trade of each province with the United States, some additional statements representing the combined resources of Canada and the maritime provinces have been compiled from the debates in the Canadian parliament upon colonial union.

The united population of Canada, New Brunswick, Nova Scotia, Newfoundland and Prince Edward Island, in January, 1864, was 3,628,151. Their public revenues for 1864 were $13,260,000; expenditures, $12,507,000. Imports in 1863, $70,600,963; exports $66,846,604. Total trade, $137,447,567. Of the public domain, 45,638,854 acres have passed from the governments of these colonies, of which only 13,128,288 are under cultivation, while the area not granted or sold is 214,282,817. According to the census of 1861, the agricultural product of the United Prov-

inces was $150,000,000, and the assessed value of farms, $550,000,000; while in 1862, the manufacture of lumber reached 772,000,000 feet, and the exports of timber were of the value of $15,000,000. In 1863, 628 vessels, with a capacity of 230,312 tons, were built, the sales of ships in that year amounting to $9,000.000; while the united tonnage of the provinces is 8,530 vessels, or 932,246 tons. This fleet is distributed as follows:

	Vessels.	Tons.
1864, Canada owned	2,311	287,187
1863, Nova Scotia owned	3,539	329,554
1863, New Brunswick owned	891	211,680
1863, Prince Edward Island owned	360	34,222
1863, Newfoundland owned	1,429	89,603
Total	8,530	932,246

This exhibit ranks British America as the fourth maritime community of the world, yielding precedence only to Great Britain, United States and France. In 1863 the foreign exports representing ship-building and fishing interests were $.6,696,021. Prominence in this connexion should also be given to 2,500 miles of railway, 4,000 miles of electric telegraph, and 100 miles of ship canals.*

The time can be readily anticipated when the Canadian forests will be indispensable to the American people. They already supply many cities and districts, which are remote from the Maine and Michigan pineries; and the forests of Wisconsin and Minnesota, however extensive, will prove inadequate to meet the wants of the Mississippi and Missouri valleys. Reference has been made to the forests of New Brunswick. Those of Canada are—

	Square miles.
1.—The Saguenay territory, or the valley of the Saguenay river, rich in white and red pine, spruce, birch and tamarac	27,000
2.—The St. Maurice region, northwest of the city of Quebec, containing large quantities of white, red, and yellow pine, spruce, birch, maple, elm, ash, and tamarac	21,000
3.—The valley of the Ottawa, hitherto the principal seat of the lumber trade of Canada, which has, perhaps, denuded 20,000 square miles from an aggregate of no less than	87,761
Total	145,761

Hon. James Skead, of Ottawa, Canada West, proceeds with the enumeration of lesser districts—2,350 square miles between the Rideau Canal, the St. Lawrence and the river Trent, and districts east of the Saguenay and west of the Ottawa, claiming that the area available for producing pine north of the St. Lawrence is 287,711 square miles, and the area wholly or in part producing hard woods is 24,000 square miles. For the larger portion of these timber lands are at the disposal of government.

The public debt of the provinces, incurred in the development of such

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* See speech of Hon. George Brown, President of executive council of Canada, at the session of the Canadian Parliament of February 8 to March 11, 1865—(3d Session 8th Parliament)—which was occupied with discussion of the plan of confederation presented by a conference of delegates from the provinces held at Quebec, in October, 1864.

a prosperity and upon the assurance of these great natural resources, will be consolidated upon the establishment of the colonial union now under discussion, in the following amounts:*

Canada	$65,500,000	Newfoundland	$3,250,000
Nova Scotia	8,000,000	Prince Edward Island	1,941,425
New Brunswick	7,000,000		
Total			$85,691,425

This adjustment is effected upon the basis of $25 per capita of population. The debt of Canada is $27 per capita; that of Nova Scotia and New Brunswick less; but liabilities in behalf of railroads have been assumed by these provinces, which will make the provision at the rate of $25 per capita convenient and even necessary. Canada localizes the remainder of its debt.

BRITISH AMERICA WEST.

These are results of French and English occupation of the American Northland during three centuries. It will be next in order to look beyond the sources of the St. Lawrence, and consider the situation and prospects of British America west. Take the meridian of 90° west of Greenwich, which is the western boundary of Canada. If eastward we have found the area of five provinces equal to 419,315 square miles, or 268,280,800 acres, it will not be difficult to establish that west of the great lakes there are more extensive districts, which, by soil, climate, and mineral resources, are equally suitable for settlement, and which may be thus enumerated:

	Square miles.
1. Central British America, enclosed between longitude 90° on the east, the Rocky mountains on the west, and the 49th and 54th parallels of latitude, and containing the valleys of the Winnipeg, Red, Assiniboin, Swan, Saskatchewan, and other rivers tributary to Lake Winnipeg	360,000
2. Athabasca, a block of territory drained by the sources of the river of that name, between 110° and 120° of longitude, and 54° and 58° of latitude, recently discovered to be rich in precious metals, and which is described by Sir Alexander Mackenzie and others as quite similar in climate and vegetation to Scotland	50,000
3. Sources of the Columbia, in British Columbia, now the scene of great excitement by the discovery of the "Big Bend" and "Kootonais" gold fields	20,000
4. The valleys of the Fraser and Thompson rivers, in British Columbia	60,000
5. Vancouver island	16,200
Total	506,200

This immense domain 323,968,000 acres is destined to greater developments of population and wealth within the next fifty years than three centuries have witnessed in the Atlantic and St. Lawrence provinces. Some reasons for such an opinion will be indicated in the remaining divisions of this paper.

CENTRAL BRITISH AMERICA.

It is now well known that northwest of Minnesota the country reaching from the Selkirk Settlement to the Rocky mountains, and from latitude

* See speech of Jon. A. T. Galt, Finance Minister of Canada, in debates upon confederation, p. 62 of report, February 7, 1865.

49° to 54°, is as favorable to grain and animal production as any of the northern States; that the mean temperature for spring, summer, and autumn, observed on the forty-second and forty-third parallels in New York, Michigan, and Wisconsin, has been accurately traced through Fort Snelling and the valley of the Saskatchewan to lattitude 55° on the Pacific coast, and that from the northwest boundary of Minnesota this whole district of British America is threaded in all directions by the navigable water-lines which converge to Lake Winnipeg. English and American exploration have also established in favor of this district that its average elevation above the sea is far less than in American territory: that the Rocky mountains are diminished in width, while the passes are not difficult; that the supply of rain is more abundant, and the carboniferous and silurian formations are of greater extent than further south, and, owing to the greater influence of the Pacific winds through the mountain gorges and the reduced altitude, that the climate is no material obstacle to civilized occupation.

It is unnecessary to repeat the narrative of Lord Selkirk's colonization of the Red River of the North. Of the present community of Selkirk Settlement, numbering ten thousand, about five thousand are competent to assume any civil or social responsibility which may be imposed upon them. The accumulations from the fur trade during fifty years, with few excitements or opportunities of expenditure, have secured general prosperity with frequent instances of affluence; while the numerous churches and schools sustain a high standard of morality and intelligence. A district on the Red river from the international boundary at Pembina to the mouth of the river in Lake Winnepeg, and upon the Assiniboin river for a distance of sixty miles west of its junction with the Red river at Fort Garry, has acquired a civil organization under appointments of legislative councillors and magistrates by the Hudson Bay Company, which is officially designated as "The Colony of Assiniboia." Goods are charged with an impost of four per cent., whether brought from Europe or the United States. Land can be purchased by any one at seven shillings sterling per acre, with liberal credits and at low interest.

The American collector at Pembina, Mr. J. Lemay, reports that during the year ending December 31, 1864, the imports at Selkirk from Europe and Canada passing in bond through the United States were valued at $252,452. He also returns $45,457 imported from Minnesota, but expresses the opinion that four times that amount passed into the settlement from the United States. Probably $500,000 would be an accurate statement of the importation, two-thirds of which was goods of the Hudson Bay Company.

Fort Garry, at Selkirk, is the headquarters of the Hudson Bay Company. The posts of this company, more than fifty in number, occupy very commanding situations over the immense area, bounded by Hudson bay and Lake Superior on the east, the Rocky mountains on the west, and the Arctic ocean on the north. The fur trade of this territory concentrates its annual product on Red River of the north, at Fort Garry, from which point, by the annual voyages of brigades of bateaux, merchandise and supplies are distributed to the most distant post. Prior to 1858 the exports and imports of the Hudson Bay Company were principally transported by the difficult and dangerous route of Hudson bay and

Nelson river, or over the numerous obstacles intervening from Lake Superior to Red river on the British side of the international line. In 1858, however, materials were transported from the navigable waters of the Mississippi river to construct a steamer on the Red river, and two such vessels now navigate that stream. The trade between St. Paul and Selkirk has been greatly increased in consequence. As just stated, the imports of Central British America for the use of the Hudson Bay Company and the Selkirk settlers, amount to $500,000 annually, while the average annual exports, almost exclusively furs, amount to $1,000,000 by the Hudson Bay Company, and $300,000 by other parties. Total exports $1,300,009.

The river system of the Winnipeg basin, navigable by steamers, cannot be less than 3,000 miles—invaluable for the present as a substitute for railroads, and hereafter as a supplement to the railroad. Of this system of inland navigation some detail will be given.

1. The navigable capacity of the Red River of the North may be comparatively stated as follows: Ascending the stream from Lake Winnipeg, the navigation to Pembina is equal to that of the Mississippi between Prairie du Chien and Lake Pepin; from Pembina to the mouth of Red Lake river the channel may be compared to the Mississippi from Red Wing to Fort Snelling; from Red Lake river to Sheyenne, to the Minnesota from Fort Snelling to Shakopee; and from Sheyenne to Breckinridge, to the Minnesota from Shakopee to Fort Ridgely. The Red river is navigable above (south of) Pembina 400 miles by its course, while the distance from the internal line by the river to Lake Winnipeg is 175 miles; total distance navigable by small steamers, 575 miles. To this and 350 miles for the navigation of the Sheyenne, Red Lake river, and Assiniboin, (its principal tributaries), and the river coast of the Red river valley, accessible by steamers, will be found to exceed nine hundred miles.

2. Lake Winnipeg is about two hundred and fifty miles in length, but of unequal breadth. Its area cannot be less than that of Lake Erie, but it is far more diversified by islands and headlands. The western bank is alluvial, resting on limestone, while the numerous bays of its eastern shore develop the gneiss, granite, and trap rock of the primary formation. The lake is not deep, but with no shallows obstructive to navigation.

3. From a point near the northwestern angle of Lake Winnipeg, the great navigable channel of the Saskatchewan, divided into two arms at latitude 53° and longitude 106°, may be ascended by steamers to Fort Edmonton, on the north branch, and to Chesterfield House or Old Bow Fort, on the south branch, in close proximity to the Rocky mountains. The rapids of the Saskatchewan, near the mouth of the river, can hardly be said to interrupt navigation. Open-loaded boats have been tracked (drawn with a rope by men on shore) over the most violent portions of the rapids, the respective distances being one mile and a quarter of a mile, while, for descending boats, there is no difficulty. Loaded boats run the rapids with safety at every stage of water. There is abundant testimony that the valley of the North Saskatchewan, in its entire length, is so superior for the purpose of agriculture to any other traverse of the western plains, that it has received and fully merits the designation of the "Fertile Belt." The regions adjacent to Fort Pelly, Carlton House, Fort Pitt, and Edmonton House—well-known points in a general northwestern

direction from Fort Garry—are remarkably well adapted to the cultivation of grain and the sustenance of cattle. The scenery of the North Saskatchewan is fully equal to that of the Mississippi between Galen and the Falls of the St. Anthony.

The present agriculture of Selkirk confirms the evidence, from a variety of sources, that the districts west and northwest of the Red river valley are well adapted to settlement. For the production of wheat, barley, rye, oats, peas, potatoes, vegetables, grass—whatever is grown in Minnesota, except maize—the region in question will be unsurpassed by any other area of similar extent on the continent.

The eastern Piedmont of the Rocky mountains, the source of the Saskatchewan, has been recently visited by Pallisser, Hector, Milton, and other tourists, who confirm the glowing description of the earliest explorer, De Smet, the devoted Catholic missionary to the Indians of Oregon. His "Oregon Missions" is a publication of much interest, consisting of letters to his superiors; and a portion of this volume narrates his explorations and adventures in the Saskatchewan valleys of the Rocky mountains. In September, 1845, he left the source of the Columbia river in latitude 50°, and crossed the Rocky mountains, descending their eastern slope in latitude 51°. He entered, on the 18th of September, "a rich valley, agreeably diversified with meadows, forests, and lakes, the latter abounding in salmon trout." This was a mountain valley, however, and it was not till three days afterwards that he reached Bow river, on the South fork of the Saskatchewan. Thence he continued northward, noticing sulphurous fountains and coal on the Red Deer, a branch of the Bow river. Descending the valley of the Red Deer, which is also described in very glowing terms, at length he emerged upon what he described as "the vast plain—the ocean of prairies." On the evening of the same day, the missionary reached and was hospitably received at the Rocky Mountain House, latitude 53° and longitude 115°, and on the 31st of October started for another journey on the plains; but, after two weeks' absence, was compelled to seek refuge from the approach of winter (then the middle of November) at Edmonton House, on the Upper Saskatchewan. From this shelter he thus writes in general terms: "The entire region in the vicinity of the eastern chain of the Rocky mountains, serving as their base for thirty or sixty miles, is extremely fertile, abounding in forests, plains, prairies, lakes, streams, and mineral springs. The rivers and streams are innumerable, and on every side offer situations favorable for the construction of mills. The northern and southern branches of the Saskatchewan water the district I have traversed for a distance of about three hundred miles. Forests of pine, cypress, thorn, poplar, and aspen trees, as well as others of different kinds, occupy a large portion of it, covering the declivities of the mountains and banks of the rivers. These originally take their rise in the highest chains, whence they issue in every direction like so many veins. The beds and sides of these rivers are pebbly and their course rapid, but as they recede from the mountains they widen, and their currents lose something of their impetuosity. Their waters are usually very clear. The country would be capable of supporting a large population, and the soil is favorable for the production of barley, corn, potatoes, and beans, which grow here as well as in the more southern countries.

"Are these vast and innumerable fields of hay forever destined to be consumed by fire or perish in the autumnal snows? How long shall these superb forests be the haunts of wild beasts? And these inexhaustible quarries, these abundant mines of coal, lead, sulphur, iron, copper, and saltpetre—can it be that they are doomed to remain forever inactive? Not so. The day will come when some laboring hand will give them value; a strong, active, and enterprising people destined to fill this spacious void. The wild beasts will, ere long, give place to our domestic animals; flocks and herds will graze in the beautiful meadows that border the numberless mountains, hills, valleys, and plains of this extensive region."

Twenty years later, in 1865, the American Territory of Montana adjoins the region which excited the enthusiasm of De Smet. Its population of 25,000, to be increased during 1866 to 50,000, have been drawn to the sources of the Missouri by discoveries of gold and silver mines close to the international border, and rumors of gulches and ledges in the Saskatchewan district, yielding even greater prizes to the prospecter, are already rife, and will soon precipitate "a strong, active, and enterprising people" into "the spacious void." What is called the Americanization of the Red River settlements has been slow, although sure, since the era of steam navigation, but the Americanization of the Saskatchewan will rush suddenly and soon from the camps of treasure-seekers in Montana.

THE ATHABASCA DISTRICT.

The limit of successful agriculture in the northern temperate zone should be carried considerably beyond the Saskatchewan valley, especially near the Rocky mountains. Sir Roderick Murchison, in a recent address before the London Geographical Society, represents this chain of mountains to be greatly depressed in high northern latitudes, and indeed several of the tributaries of the Mackenzie have their sources on the Pacific slope, and wind through the mountains before falling into the great Arctic river. The mountain valleys of the Peace and Liard rivers, latitude 56° to 60°, are thus influenced by the Pacific winds, and wheat and other cereals are successfully cultivated. Sir Alexander Mackenzie describes, under date of May 10, the exuberant verdure of the mountain valleys—trees about to blossom, and buffalo attended by their young. During an inquiry in 1858 by the English House of Commons into the situation of the territory of the Hudson's Bay Company, similar statements were elicited. Dr. Richard King, who accompanied an expedition in search of Sir John Ross, as "surgeon and naturalist," was asked what portion of the country visited by him was valuable for the purpose of settlement. In reply he described "as a very fertile valley a square piece of country" bounded on the south by Cumberland House, and by the Athabasca lake on the north. His own words are as follows: "The sources of the Athabasca and the sources of the Saskatchewan include an enormous area of country. It is, in fact, a vast piece of land surrounded by water. When I heard Dr. Livingston's description of that country, which he found in the interior of Africa within the equator, it appeared to me to be precisely the kind of country which I am now describing. It is a rich soil, interspersed with well-wooded country, there being growth of every kind, and the

whole vegetable kingdom alive." When asked concerning mineral productions his reply was: "I do not know of any other mineral except limestone; limestone is apparent in all directions. * * * The birch, the beech, and the maple are in abundance, and there is every sort of fruit." When questioned further, as to the growth of trees, Dr. King replied by a comparison "with the magnificent trees around Kensington Park in London. He described a farm near Cumberland House under very successful cultivation—luxuriant wheat, potatoes, barley, pigs, cows, and horses.

In 1862 the tributaries of the Saskatchewan and Peace rivers, on the eastern flank of the Rocky Mountains, were discovered to be auriferous. A small emigration from Selkirk has been attracted by the discovery, but larger columns of immigrants will probably move from the gold districts of British Columbia on the west, and of Montana on the south. The placer mining on the north Saskatchewan has hitherto averaged $5 to $10 per day.

SOURCES OF THE COLUMBIA.

Until very recently—until the discovery of the Big Bend and Kootonais gold-fields in 1866—I suppose no portion of the continent was so little known as the district watered by the upper Columbia and its tributary, the McGillivray or Flatbow river. David Thompson, surveyor of the Hudson Bay Company, in 1807, selected the source of the Columbia river as a site for a trading post with the Kootonais or Flatbow Indians. Since that date these Indians have made sensible progress to civilization under the influence of the Oregon missions, as also have other more southern tribes on the western slopes of the Rocky Mountains. Indeed, the "Relations" of their missionary Bishop, Father De Smet, constitute a most glowing sketch of the oval district between Flatbow River and the upper Columbia, and which must have an extent of 20,000 square miles.

I select some passages of description by De Smet, after passing north of the boundary in latitude forty-nine degrees:

"Advancing toward the territory of the Kootonais, we were enchanted with the beautiful and diversified scenery. * * * An extensive plain at the base of the Portage mountain (probably near the western extremity of the Kootonais Pass) presents every advantage for the formation of a city. The mountains surrounding this agreeable site are majestic and picturesque. They forcibly recalled to my memory the Mapocho mountains that encompass the beautiful capital of Chili, (Santiago.) * * * The quarries and forests are inexhaustible, and, having remarked large pieces of coal along the river, I am convinced that this fossil could be abundantly procured. Great quantities of lead are found on the surface of the earth, and from the appearance of its superior quality, we are led to believe that there may be some mixture of silver. * * * After a few days' journey we arrived at the Prairie du Tabac, the usual abode of the Kootonais. Their camp is situated in an immense and delightful valley, bounded by two eminences, which, from their gentle and regular declivity appear to have originally bounded an extensive lake. * * * Thence I journeyed on towards the sources of the Columbia. The country we traversed was highly picturesque, and agreeably diversified by beautiful prairies, smiling valleys and lakes, surrounded by heavy and solemn pines,

gracefully waving their flexible branches. We also crossed dark alpine forests, where the sound of the axe has never resounded. * * * On the 4th of September I found myself at the source of the Columbia.

"When emigration, accompanied by industry, the arts and sciences, shall have penetrated the numberless valleys of the Rocky Mountains, the source of the Columbia will prove a very important point. The climate is delightful; the extremes of heat and cold are seldom known. The snow disappears as fast as it falls; the laborious hand that would till these valleys would be repaid a hundred-fold. Innumerable herds could graze throughout the year in these meadows, where the sources and streams nurture a perpetual freshness and abundance. These hillocks and declivities of the mountains are generally studded with inexhaustible forests, in which the birch tree, pine of different species, cedar and cypress abound. * * * The advantages nature seems to have bestowed on the source of the Columbia will render its geographical position very important at some future day. The magic hand of civilized man would transform it into a terrestrial paradise."

BRITISH COLUMBIA AND VANCOUVER'S ISLAND.

The foregoing description of the climate and other natural features of the upper Columbia country is applicable to the valleys of the lower Frazer River, and its tributary, the Thompson River. In regard to the climate of the Pacific provinces an intelligent correspondent of the Toronto Globe says: "While Cariboo and the upper country generally is probably as cold in winter as Canada, the district from Vancouver's Island to the western foot of the Rocky Mountains, including Victoria, (the commercial town of Vancouver's Island) New Westminster (the capital of British Columbia,) the lower valley and delta of the Frazer river, and the Southern inland part of British Columbia, has the best climate beyond all comparison to be found in British America—free from extremes of heat and cold, not warm enough to enervate nor so cold as to cramp; moist and mild in winter like the English climate. Roses bloom in open gardens on Christmas Day, and pansies, daisies, and mignonette flower in January. Gardening begins in February, and the spring is a long and temperate season. The summers are warmer and brighter than in England. All the conditions of climate are favorable to health and physical strength, and of equal advantage to agriculture."

Vancouver's Island, with many open districts suitable for cultivation, is rich in coal, forests of pine, and fisheries, and is destined to a prosperity quite similar to that of Nova Scotia. The writer in the Globe, a resident of Victoria, claims that the settlements, both English and American, upon Puget's Sound, with their inexhaustible supplies of coal, timber and iron will become the leading stations of the Pacific coast for the construction and equipment of ships, and will possess great advantages in respect to manufactures. The Rocky Mountain mines in British Columbia, especially of gold and silver, at Cariboo, latitude 54°, Big Bend of Columbia latitude 52°, and the Kootonais valley, latitude 50°, are fully equal in productiveness to the mineral districts of Montana, which are unsurpassed in Californian or Australian experience.

The population of British Columbia was 11,405 in 1863, and may be 15,000 in 1866. The estimated revenue for the present year is $600,000

—from the following sources: customs, at an average import duty of 15 per cent., $320,000; road tolls, $95,000; miners' certificates and mining receipts, $55.000; spirit licenses, $30,000. The public debt of the colony in 1863 was $600,000, at six per cent. interest. The finances of Vancouver's Island are in no better condition. The expenditure for a government of the population of 6,000 exceeds $200,000 per annum, which is collected mostly by direct taxation, no customs duties being imposed. A union of the provinces will soon be effected, when it is hoped that these expenditures will be reduced.

With this cursory review of the relations of the United States and British America, it is evident that both communities are equally interested in two great objects: 1. An ocean navigation from the Gulf of St. Lawrence to Lakes Superior and Michigan; and, 2. An international railroad from Halifax to the Nor h Pacific coast, on a route central to the forests of New Brunswick, Maine and Canada, the mineral formation of Lake Superior, the wheat-growing plains of Minnesota and the Saskatchewan valley, and the gold districts of British Columbia. The present situation of these two great interests will be briefly considered.

NAVIGATION OF THE ST. LAWRENCE.

The River St. Lawrence, as the outlet of the great lakes, drains an area of 600,000 square miles, of which 250,000 square miles belong to the United States.

The navigation of the St. Lawrence is improved by seventy-two miles of ship canals—forty-three between the Atlantic and Lake Ontario, twenty-eight by the Welland canal, connecting Lakes Ontario and Erie, and one mile at Sault St. Marie, reaching Lake Superior. The Superior ship canal aided by the Government of the United States, is the only adequate structure of the kind. The size of its locks is 350 feet long, 70 feet between the quoins, and 12 feet in depth. The problem, of which every northwestern State ardently seeks the solution, is such immediate construction of new or enlargement of existing canals as will pass vessels of fifteen hundred tons burden without breaking bulk, from the Gulf of St. Lawrence or the harbor of New York to Chicago or Superior. At present, the Superior canal is alone sufficient, as the Welland can only pass a vessel of 400 tons, and the St. Lawrence canals can pass a vessel of only 300 tons. The New York canals are of less capacity.

The movement through the Welland canal shows the proportions in which the United States and Canada share the advantage of that important communication with the upper lakes. In 1863 there passed 3,474 American vessels, tons 808,289; 3,425 Canadian vessels, tons 521,808.

In 1864-5, this comparative movement was as follows: 2,506 American vessels, tons 542,245; 3,841 Canadian vessels, tons 593,561.

The necessity of bringing the ocean vessels of all nations to the Northwest will hardly be disputed, when the progress of the lake States in the production of breadstuffs and provisions is considered.

In 1850 the lake States produced forty millions of bushels of wheat; in 1860, eighty-eight millions. In 1850 their production of corn was one hundred and eighty-five millions; in 1860, three hundred and nineteen millions. At the same rate of increase, the next ten years will bring them to the production of nearly two hundred millions of bushels o f

wheat and six hundred millions of bushels of corn. The provision market shows the same wonderful results. The number of hogs slaughtered at Chicago in 1860 was 400,000; in 1863 the number had risen to 1,700,000. of cattle, 177,000 in 1860, and 344,000 in 1863. In the year 1859 the exports of pork in boxes, or "cut meats," were only 9,000,000 pounds. In round numbers they rose to twenty millions in 1860, to seventy millions in 1861, to one hundred and thirty millions in 1862, and three hundred millions in 1863, chiefly from the northwest. For the movement to eastern and European markets, of the present and prospective bulk of breadstuffs and provisions, the means of transportation must be greatly enlarged. From actual experience, derived from shipment of Indian corn at Chicago for Liverpool, it is shown that the freight charges often cover seven-eights of the value of a bushel of corn at Liverpool. More than one-half of the cost of wheat is also covered by charges of transit. The Chicago Board of Trade have expressed the opinion that the enlargement of the Welland and St. Lawrence canals, as above indicated, would reduce the cost of grain transportation from Chicago to Liverpool fully one half—to ten shillings per quarter, or to thirty cents per bushel.

It has been stated that Great Britain imported from the United States during the years 1861, 1862 and 1863 breadstuffs to the value of £12,643,918 sterling, and that the transit expenses were £8,826,351 sterling, the original cost realized at Chicago being only £3,817,069.

The burden now imposed upon western producers, and the relief which would be experienced if the marine of the world could reach Chicago through the lakes, as readily as European ships reach Odessa or Constantinople through the Mediterranean, was most clearly and forcibly illustrated by Mr. Duncan Stewart, of Detroit, at the commercial convention held July, 1865, in Detroit. "Some years ago," he said, "the farmers in certain portions of the west could not obtain over eight cents per bushel for their corn. Some professors of political economy say this was the result of a great crop, and nobody to eat it. This is a grave mistake. There were hungry men enough to eat up the whole of it. Nobody to eat! The want of transportation facilities ate it all up. That year forwarders got, in many instances, twenty cents per bushel from Chicago to Buffalo, and the canal rates rose as high as twenty-five cents from Buffalo to New York. In plain English, the farmer of Illinois had to give the carrier the price of five and a half bushels of his corn to get him to carry one bushel from Chicago to New York, a distance of fifteen hundred miles by water. Twenty-five cents, including canal tolls, would have laid the same corn down in Liverpool had there been a chance to navigate the St. Lawrence with vessels of one thousand tons or upwards, and the owner of the craft would have been richly remunerated at that price; but on top of the forty-five cents to New York from Chicago were the charges at that port, and another charge of twenty-five cents to cross the ocean, making the charge from Chicago to Liverpool not less than sixty seven cents per bushel, when it would never have exceeded thirty cents had the right kind of vessels been able to pass down the St. Lawrence. This would have enabled the farmer to get forty-five cents for his corn instead of eight cents per bushel. With sixty bushels to the acre the amount secured in the one case was four dollars and eighty cents; in the other

it would have been twenty-seven dollars. This is no fancy sketch; it is a positive fact."

Mr. Stewart on the same occasion also observed: "With deep water down the St. Lawrence no interest will be more benefited than the lumber interest. With boundless and almost inexhaustible forests of valuable timber, pine is the only kind that is of any present value. Let ships of one thousand or fifteen hundred tons load at the wharves of our lake cities and, as if by magic, oak, black walnut, white wood, maple of all kinds, white ash, tamarack and spruce, would at once become ten times more valuable than they are at present. The cabinet-makers of Europe would furnish a market for your fancy woods; the West Indies would take every oak stave you could turn out, sending back in return her sugar, molasses, and other rich products, which being purchased from first hands, and landed without any extra charges but the freight at your own doors, would enable our merchants to sell these products at greatly reduced rates, thereby adding to the comfort and happiness of the great mass of the people. The railways of Great Br tain would give you a limitless market for your spruce and tamarack of small growth for ties; and the wealthy cities of London, Liverpool, Manchester, Glasgow, Dublin, Bristol and Birmingham would become competitors with Chicago, New York, and Boston for your best qualities of white pine. An open market with all the world will pay the owners of timber lands better than a limited home market; and with the class of vessels named to carry the products of our forests to foreign lands, the rates of would be as low to any of the ports of Great Britain as they now are from any given point west of New York or Boston, while the prices to be obtained abroad would be much better than attainable in either of these markets."

Of the Canadian canals the Welland is of the most importance to American commerce, the transportation for 1864–'5 having been returned as follows:

	Tons.
From Canadian to Canadian ports	199,413½
From Canadian to American ports	156,961½
From American to Canadian ports	274,941½
From American to American ports	254,557½
Total	885,874

Of this aggregate 685,157½ tons was from the west to the east, and 5?9,499 tons were from American ports.

The trade of the United States through the St. Lawrence from 1861 to 1865 is thus stated in the Canadian trade returns:

	For United States.	From United States
1861	$522,514	$3,505,511
1862	490,298	5,198,920
1863	515,245	2,907,818
1864 (half year)	282,667	507,243
1864–65	289,685	4,714,629

The American trade through the St. Lawrence was about 6 per cent. of the commerce by that channel.

INTERNATIONAL RAILWAY.

In the plan of provincial union proposed at Quebec, October 10, 1864, it is stipulated that "the federal government shall secure, without delay the completion of the intercolonial railway from Riviere du Loup, through New Brunswick, to Truro, in Nova Scotia." Its estimated cost is $17,500,000. From Riviere du Loup to Ottawa, the capital of Canada, there is communication by railway.

Will England aid by imperial guarantee the immediate construction of a railroad from Ottawa, by way of Fort Garry and the valley of the Saskatchewan river, to the Pacific coast? Or will the provinces, with or without the aid of England, undertake such a continental highway?

The destiny of British America is involved in the extension of an ocean coast to the western limits of the great lakes, and a railway from Halifax to the capital of the confederation, and thence exclusively on the soil of the confederation, to the North Pacific coast. The adequate improvement of the St. Lawrence and Welland canals (without assuming the Ottawa and Georgian bay projects) involve an expenditure of $20,000,000 and a St. Lawrence and Pacific railway, even if aided by liberal allotments of land along its line, will require, at this time, a government subsidy of $100,000,000. Who anticipates that England will assume any material portion of such obligations and the proposed federal government of the provinces, will doubtless regard the promised communication between Halifax and Quebec as the utmost possible limit of its railway liability, at least for this century. The language of the Quebec conference, as to communications with the northwest and the improvements required for the development of the trade of the great west with the seaboard, is far short of a pledge of public action. True, a certain degree of interest is expressed in these objects; they are "regarded by the conference as subjects of the highest importance to the federated provinces, and shall be prosecuted at the earliest possible period that the state of the finances will permit;" and in another place there is a provision that "the Northwest Territory, British Columbia, and Vancouver shall be admitted into the Union on such terms and conditions as the parliament of the federated provinces shall deem equitable, and as shall receive the assent of Her Majesty; and in the case of the province of British Columbia or Vancouver as shall be agreed to by the legislature of such province." All of which seems quite inadequate when such immense resources might be brought into the circle of the world's activities if a policy was at once inaugurated ample to consummate the construction of a national highway from ocean to ocean between the latitudes of 45° on the Atlantic and 55° on the Pacific, through the teeming belt of settlements which would follow upon its track.

THE AMENDATORY TARIFF BILL.

Below we give a copy of the tariff bill passed at the session of Congress just adjourned, and approved by the President July 28:

DEPARTMENT OF STATE,
WASHINGTON, Aug. 3, 1866.

An Act to protect the revenue, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled, That from and after the tenth day of August, eighteen hundred and sixty six, in lieu of the duties now imposed by law on the articles mentioned and embraced in this section, there shall be levied, collected, and paid, on all goods, wares, and merchandise imported from foreign countries, the duties heretofore [hereinafter] provided, viz:

On cigars, cigarettes, and cheroots of all kinds, three dollars per pound, and, in addition thereto, fifty per centum *ad valorem:* Provided, That paper cigars and cigarettes, including wrappers, shall be subjected to the same duties as are herein imposed upon cigars; And provided further, That on and after the first day of August, eighteen hundred and sixty-six, no cigars shall be imported unless the same are packed in boxes of not more than five hundred cigars in each box; and no entry of any imported cigars shall be allowed of less quantity than three thousand in a single package; and all cigars on importation shall be placed in public store or bonded warehouse, and shall not be removed therefrom until the same shall have been inspected and a stamp affixed to each box indicating such inspection, with the date thereof. And the Secretary of the Treasury is hereby authorized to provide the requisite stamps, and to make all necessary regulations for carrying the above provisions of law into effect.

On cotton, three cents per pound.

On all compounds or preparations of which distilled spirits is a component part of chief value, there shall be levied a duty not less than that imposed upon distilled spirits: Provided, That brandy and other spirituous liquors may be imported in casks or other packages of any capacity not less than thirty gallons; and that wine in bottles may be imported in boxes containing not less than one dozen bottles of not more than one quart each; and wine, brandy, or other spirituous liquor imported into the United States, and shipped after the first day of October, 1866, in any less quantity than herein provided for, shall be forfeited to the United States.

SEC. 2. And be it further enacted, That the second proviso in section four of an act entitled "An act amendatory of certain acts imposing duties upon foreign importations," approved March three, 1865 shall be construed to include any ship, vessel, or steamer to or from any port in the Sandwich Islands or Society Islands.

SEC. 3. And be it further enacted, That so much of an act entitled "An act to authorize protection to be given to citizens of the United States who may discover deposits of guano," approved August 18, 1856, as prohibits the export thereof, is hereby suspended in relation to all persons who have complied with the provisions of section second of said act, for five years from and after the 14th day of July 1867.

SEC. 4. And be it further enacted, That all laws and parts of laws allowing fishing bounties to vessels hereafter licensed to engage in the fisheries be, and the same are hereby repealed: Provided, That, from and after the date of the passage of this act, vessels licensed to engage in the fisheries may take on board imported salt in bond to be used in curing fish, under such regulations as the Secretary of the Treasury shall prescribe, and upon proof that said salt has been used in curing fish, the duties on the same shall be remitted.

SEC. 5. And be it further enacted, That, from and after the passage of this act, all goods, wares, or merchandize arriving at the ports of New York, Boston and Portland, or any other port of the United States which may be specially designated by the Secretary of the Treasury, and destined for places in the adjacent British Provinces, or arriving at the port of Point Isabel, Texas or any other port of the United States which may be specially designated by the Secretary of the Treasury, and destined for places in the Republic of Mexico, may be entered at the custom-house and conveyed in transit through the territory of the United States without the payment of duties, under such rules regulations and conditions for the protection of the revenue as the Secretary of the Treasury may prescribe.

SEC. 6. And be it further enacted, That imported goods, wares, or merchandize in bond, or duty-paid, and products or manufactures of the United States, may, with the consent of the proper authorities of the provinces or republic aforesaid, be transported from one port or place in the United States to another port or place therein, over the territory of said provinces or republic, by such routes, and under such rules, regulations and conditions as the Secretary of the Treasury may prescribe; and the goods, wares, and merchandize so transported shall, upon arrival in the United States from the provinces or republic aforesaid, be treated in regard to the liability to or exemption from duty, or tax, as if the transportation had taken place entirely within the limits of the United States.

SEC 7. And be it further enacted, That whenever it shall be shown to the satisfaction of the Secretary of the Treasury that more moneys have been paid to the collector of customs, or others acting as such, than the law requires, and the parties have failed to comply with the requirements of the 14th and 15th sections of the act entitled "An act to increase the duties on imports, and for other purposes," approved June 30th, 1864, and the Secretary of the Treasury shall be satisfied that said noncompliance with the requirements, as above stated, was owing to circumstances beyond the control of the importer, consignee, or agent making such payments, he may draw his warrant upon the Treasurer in favor of the person or persons entitled to the overpayment, directing the said Treasurer to refund the same out of any money in the treasury not otherwise appropriated.

SEC. 8. And be it enacted, That the provisions of the second, third, and fourth sections of the act approved March 2, 1833, entitled "An act further to provide for the collection of duties on imports," and of the twelfth section of the act approved March 3, 1863, entitled "An act to prevent and punish frauds upon the revenue, to provide for the more certain and speedy collection of claims in favor of the United States, and for other purposes," shall be taken and deemed as extending to and embracing all cases arising or which may have heretofore arisen, and all suits and prosecutions heretofore brought and now pending, or which may hereafter be brought against any officer of the United States or other person by reason of any acts done or proceedings had by such officer or other person, under authority or color of the act approved March 12, 1863, entitled "An act to provide for the collection of abandoned property, and for the prevention of frauds in insurrectionary districts within the United States," or the act approved July 2, 1864, entitled "An act in addition to the several acts concerning commercial intercourse between loyal and insurrectionary States, and to provide for the collection of captured and abandoned property, and the prevention of frauds in States declared in insurrection." Provided, That such acts done or proceedings had under the two acts last aforesaid, or under color thereof, shall have been done and had under the authority or by the direction of the Executive Government of the United States. And provided further, That when a recovery shall have been, or shall hereafter be had in any such suit or prosecution brought, or which may hereafter be brought, as aforesaid, the payment of the amount recovered, as provided for in the said twelfth section of the act approved March 3, 1863, aforesaid, shall be made out of the moneys arising and obtained from the proceeds of sales and leases and fees collected and paid over to the Government under the two acts approved March 12, 1863, and July 2, 1864 aforesaid, in relation to captured and abandoned property.

SEC 9. And be it further enacted, That in determining the dutiable value of merchandise, hereafter imported, there shall be added to the cost, or to the actual wholesale price or general market value at the time of exportation in the principal markets of the country from whence the same shall have been imported into the United States, the cost of transportation, shipment, and transhipment, with all the expenses included from the place of growth, production or manufacture, whether by land or water, to the vessel in which shipments made to the United States; the value of the sack, box or covering of any kind, in which such goods are contained; commission at the usual rates but in no case less than two and a half per centum; brokerage, export duty, and all other actual or usual charges for putting up, preparing, and packing for transportation or shipment. And all charges of a general character incurred in the purchase of a general invoice shall be distributed pro rata among all parts of such invoice; and every part thereof charged with duties based on value shall be advanced according to its proportion, and all wines or other articles paying specific duty by grades shall be graded and pay duty according to the actual value so determined: Provided, That all additions made to the entered value of merchandise for charges shall be regarded as

part of the actual value of such merchandise, and if such addition shall exceed by ten per centum the value so declared in the entry, in addition to the duties imposed by law, there shall be levied, collected and paid a duty of twenty per centum on such value: Provided, That the duty shall in no case be assessed upon an amount less than the invoice or entered value: Provided, further, That nothing herein contained shall apply to long-combing or carpet wools costing twelve cents or less per pound, unless the charges so added shall carry the cost above twelve cents per pound, in which case one cent per pound duty shall be added.

SEC. 10. And be it further enacted, That the second proviso in section twenty-one of an act entitled "An act increasing temporarily the duties on imports, and for other purposes," approved July 14, 1862, which provides that any goods remaining in public store or bonded warehouse beyond three years shall be regarded as abandoned to the government, and sold under such regulations as the Secretary of the Treasury may prescribe, and the proceeds paid into the Treasury, be, and the same is hereby amended so as to authorize the Secretary of the Treasury, in case of any sale under the said provision, to pay to the owner, consignee or agent of such goods the proceeds thereof, after deducting duties, charges and expenses, in conformity with the provision of the first section of the Warehouse Act of August 6, 1846.

SEC. 11. And be it further enacted, That during [the] period of one year from the passage of this act, there may be imported into the United States, free of duty, any machinery designed solely for and adapted to the manufacture of sugar from beets, including all the preliminary processes requisite therefor, but not including any machinery which may be used for any other manufactures.

SEC. 12. And be it further enacted, That upon the reimportation of articles once exported of the growth, product, or manufacture of the United States, upon which no internal tax has been assessed or paid, or upon which such tax has been paid and refunded by allowance or drawback, there shall be levied, collected, and paid a duty equal to the tax imposed by the internal revenue laws upon such articles.

SEC 13. And be it further enacted, That there shall be established in and attached to the Department of the Treasury a bureau, to be styled "The Bureau of Statistics," and the Secretary of the Treasury is hereby authorized to appoint a director to superintend and control the business of said bureau, who shall be paid an annual salary of $3,500. And it shall be the duty of the director of the Bureau of Statistics to prepare the report on the statistics of commerce and navigation, exports and imports, now required by law, to be annually submitted to Congress by the Secretary of the Treasury; and said report, embracing the returns of the commerce and navigation, the exports and imports of the United States to the close of the fiscal year, shall be submitted to Congress in a printed form on or before the first day of December next succeeding; and the said director, as soon as practicable after the organization of this office, shall, under the direction of the Secretary of the Treasury, prepare and publish monthly reports of the exports and imports of the United States, including the quantities and values of goods warehoused or withdrawn from warehouse, and such other statistics relative to the trade and industry of the country as the Secretary of the Treasury may consider expedient. And the director of the Bureau of Statistics shall also prepare an annual statement of vessels registered, enrolled, and licensed under the laws of the United States, together with the class, name, tonnage, and place of registry of each vessel, and such other information as the Secretary of the Treasury may deem proper to embody therein; and to enable the said director to furnish the information required, the Secretary of the Treasury shall have power, under such regulations as he shall prescribe, to establish and provide a system of numbering vessels so registered, enrolled, and licensed; and each vessel so numbered shall have her number deeply carved or otherwise permanently marked on her main beam; and if at any time she shall cease to be so marked, such vessel shall be no longer recognized as a vessel of the United States. The said director shall also prepare an annual statement of all merchandise passing in transit through the United States to foreign countries, each description of merchandise, so far as practicable, warehoused, withdrawn from warehouse for consumption, for exportation, for transportation to other districts, and remaining in the warehouse at the end of each fiscal year. It shall be the further duty of said director to collect, digest, and arrange for the use of Congress, the statistics of the manufactures of the United States, their localities, sources of raw material, markets, exchanges, with the producing regions of the country, transportation of products, wages, and such other conditions as are found to affect their prosperity; and to aid him in the dis-

charge of these duties, the several clerks now employed in the preparation of statistics in the Treasury Department, or any bureau thereof, may be placed under his supervision and direction; and, in addition, the Secretary of the Treasury shall detail such other clerks as may be necessary to fully carry out the provisions of this act. And the expenses of the Bureau of Statistics for clerical service, publication of reports, stationery, books and statistical periodicals and papers required by the Bureau, shall be defrayed on the order and approval of the Secretary of the Treasury, out of any moneys in the Treasury not otherwise appropriated. And all letters and documents to and from the director of the Bureau of Statistics, relating to the duties and business of his office, shall be transmitted by mail free of postage.

SEC. 14. And be it further enacted, That the Secretary of the Treasury be authorized to suspend the collection, in any of the States heretofore declared in insurrection, of the direct tax imposed by an act of Congress passed August 5th, 1861, entitled "An act to provide increased revenue from imports, to pay interest on the public debt, and for other purposes," until January 1st, 1868.

ANALYSES OF RAILROAD REPORTS. No. 13.

I. New York & Harlem Railroad.—II. Cleveland & Toledo Railroad.—III. Marietta & Cincinnati Railroad.—IV. Michigan Central Railroad.

NEW YORK AND HARLEM RAILROAD.

The New York and Harlem Railroad, which in connection with the Albany and West Stockbridge (Western) Railroad, forms the inland route between New York City and Albany is constituted as follows:

Main Line—New York City to Chatham Four Corners.....miles	130.75
Branch Line—Melrose to Port Morris	2.12
Total owned by the company	132.87
Albany and West Stockbridge Railroad—Chatham to E. Albany	20.25
Total owned, leased, and operated	153.12

Second track and sidelngs on main line 45 miles.

ROLLING STOCK.

The rolling stock belonging to the company at the close of each of the last ten fiscal years (September 30,) is shown in the following table:

Sept. 30th,	Loco-motives.	Cars rated as 6-wheel cars—Pass.	Mail, &c.	Freig't.	Total.	City cars.	Cost of rol'g sto'k.
1856	36	65	11	355	431	37	$668,146
1857	35	71	10	400	481	35	624,685
1858	33	56	11	377	444	42	634,727
1859	38	51	11	365	427	42	650,804
1860	33	42	15	377	434	42	650,804
1861	34	36	13	435	484	42	650,804
1862	32	35	13	428	476	42	650,804
1863	32	34	11	481	526	45	811,987
1864	35	40	17	561	618	69	1,105,299
1865	43	60	23	587	670	97	1,469,957

BUSINESS OF THE ROAD.

The mileage of trains, the number and mileage of passengers, and the tons of freight and the mileage thereof in the same years, were as follows:

Fiscal year.	Train mileage.—Passenger.	Freight.	Passengers—Number.	Mileage.	Freight.—Tons.	Mileage.
1855-56	330,095	203,589	1,226,048	24,552,577	159,466	8,799,967
1856-57	488,291	255,974	956,777	23,234,000	150,863	9,332,743
1857-58	405,391	216,356	720,070	14,790,971	122,871	7,446,561
1858-59	317,295	243,571	718,978	16,274,091	145,577	9,131,851
1859-60	319,748	266,240	767,652	16,270,371	153,511	9,389,119
1860-61	348,471	297,299	726,853	15,772,007	168,527	11,032,070
1861-62	230,533	329,840	686,523	12,423,098	198,667	15,329,994
1862-63	245,041	374,459	811,877	15,014,360	233,981	18,201,859
1863-64	260,532	365,502	1,177,789	20,942,621	226,467	15,571,826
1864-65	368,379	391,898	1,243,545	33,093,353	239,603	17,153,978

The following statement classifies the freight carried—the quantities being given in tons :

Fiscal year.	Products of Forest.	Products of Animals.	Vegetable food.	Oth. agricult'l prod.	Manufact's.	Merchandise.	Other articles.
1855-56	8,730	48,308	11,140	3,301	17,729	6,736	68,562
1856-57	10,089	60,698	13,718	2 545	24,265	3,825	25,723
1857-58	8,170	52,478	11,177	2,898	17,576	4,9 2	23,770
1858-59	9,485	52,382	12,487	4,206	20,422	6,698	39,948
1859-60	8,271	58,773	14,115	4,186	22,113	9,809	41,344
1860-61	7,369	62,058	17,410	2,496	29,013	12,210	37,946
1861-62	9,086	74,844	16,242	9,833	34,861	10,845	42,956
1862-63	12,078	70,365	20,570	15,9 8	40,358	26,620	58,077
1863-64	12,233	81,864	17,488	23,901	19,479	14,128	67,859
1864-65	18,597	106,407	16,920	11,877	24,617	11,063	55,13

In the following statement are given the miles run by the city cars, the number of passengers carried, and the mileage of passengers :

Fiscal year.	Miles run by cars.	Passengers. Number.	Passengers. Mileage.	Fiscal year.	Miles run by cars.	Passengers. Number.	Passengers. Mileage.
1855-56	301,312	1,799,391	1,746,933	1860-61	555,120	3,607,889	5,411,833
1856-57	296,588	2,014,486	2,100,000	1861-62	554,350	3,530,227	5,295,340
1857-58	574,800	3,069,721	3,150,000	1862-63	585,644	4,266,190	6,399,289
1858-59	512,422	3,493,113	5,239,669	1863-64	785,916	5,795,288	8,692,855
1859-60	564,351	3,990,934	5,986,401	1864-65	804,612	7,193,476	10,790,217

REVENUE ACCOUNTS.

The gross transportation earnings and expenses, and the profits from operations were as follows:

Fiscal Years.	Gross earnings Passenger.	Freight.	Other.	Total.	Operating expenses.	Profits or net rev.
1855-56	$520,527	$436,245	$83,621	$1,040,393	$715,501	$324,892
1856-57	494,108	436,725	96,744	1,027,572	840,731	186,841
1857-58	482,556	443,301	69,990	975,853	617,061	358,792
1858-59	490,616	506,342	79,364	1,076,322	695,996	380,326
1859-60	533,091	529,411	80,349	1,142,851	709,135	433,716
1860-61	448.193	533,658	168,129	1,144,980	753,727	391,253
1861-62	411,684	573,742	168 577	1,154,003	697,305	456,698
1862-63	512.175	707.320	192.931	1,412,426	957,655	454,771
1863-64	735,161	864,556	260,709	1,860,709	1,409,890	450,869
1864-65	1,053,314	1,093,668	362,743	2,509,725	2,087,397	422,428

The receipts from the New York and New Haven Railroad for use of the road from Williamsbridge to the city, are included in "other" gross earnings. They have been as follows: For the year ending Sept. 30th, 1856, $70,571; 1857, $69,426; 1858, $57,814; 1859, $66,932; 1860, $65,096; 1861, $182,220; 1862, $188,000; 1863, $161,451; 1864, $228,175, and 1865, $186,296.

The amount paid from net revenue, on account of interest on debt, and dividend on preferred stock in each year has been as follows: In year ending Sept. 30, 1856, $307,641; 1857, $439,102; 1858, $406,793; 1859, $388,142; 1860, $392,883; 1861, $403,318; 1862, $415,202; 1863, $423,808; 1864, $432,440, and 1865 $420,265.

GENERAL ACCOUNTS.

The financial condition of the company at the close of each fiscal year from 1855-56 to 1864-65, both years inclusive, is shown in the following statement :

Sept. 30th.	Capital stock. *	Funded debt.	Floating debt.	Total stock and debts.	Real estate mortgages.	Extension certif's.
1856	$5,717,100	$3,853,305	$299,352	$9,869,757	$144,312	$415,000
1857	5,717,100	4,060,498	652,439	10,430,037	188,573	465,000
1858	5,717,100	5,151,287	147,641	11,016,028	188,573	465,000
1859	5,717,100	5,353,297	.....	11,070,397	188,573	465,000
1860	5,717,100	5,372,179	.....	11,289,279	218,573	465,000
1861	5,717,100	5,537,664	43,788	11,298,552	218,573	244,500
1862	5,717,100	5,565,487	84,708	11,367,295	218,573	221,000
1863	5,722,850	5,877,518	14,260	11,614,628	218,573	66,500
1864	6,585,050	6,115,800	.....	12,700,850	98,157	62,500
1865	6,585,050	6,096,045	.....	12,683,095	97,074	59,500

* Including $1,500,000 preferred stock

Against which are charged as follows :—

Sept. 30th.	Construction account— Railroad.	Equipm's.	Extension.	Total.	Real estate in N. Y. &c.
1856	$5,398,373	$663,146	$2,000,000	$8,061,519	$1,090,529
1857	5,487,914	624,585	2,000,000	8,112,499	1,090,529
1858	7,313,339	634,777	2,000,000	9,948,116	1,090,529
1859	7,308,867	650,804	2,000,000	10,019,671	1,090,529
1860	7,371,982	650,804	2,000,000	10,022,786	1,136,849
1861	7,385,739	650,804	2,000 000	10,036,543	1,137,014
1862	7,385,739	650,804	2,000,000	10,036,543	1,137.014
1863	7,389,919	811,987	2,000,000	10,201,906	1,141,287
1864	7,510,739	1,105,299	2,000,000	10,616,038	1,120.822
1865	7,708.611	1,469,957	2,000,000	11,178,568	1,144,181

The large increase in cost in 1857-58 is explained by stating that the "profit and loss account," the accumulation of several years is charged this year to cost of road.

DEDUCTIONS.

The following table shows the relation of the above statements to the mileage of the road, viz.: the cost of road and equipment per mile, &c ; the earnings, expenses and profits per mile together with the proportion of expenses to earnings, and the rate of the profits to cost of road, &c.—the road from New York to Chatham Four Corners 130.75 miles, being taken as the unit :

Year ending Sept. 30.	Cost of road, &c., per mile.	Amounts per mile— Gross earnings.	Operating expenses.	Net profits.	Expenses to earnings.	Profits to cost of road.
1856	$61,656	$7,957	$5,472	$2,485	68.77	4.03
1857	62.046	7,859	6,410	1,449	81.56	2.34
1858	76,085	7,464	4,719	2,745	63.25	3.61
1859	76,632	8,232	5,323	2,909	64.66	3.79
1860	76,659	8741	5,425	3,316	62 06	4.32
1861	76,761	8,757	5,764	2.993	65.26	3.90
1862	76,761	8,826	5,333	3,493	60.42	4.55
1863	78,026	10,502	7,324	3,478	67.80	4.45
1864	81,499	14,223	10,782	3,441	75.80	4.22
1865	85,496	19,195	15,965	3,230	83.17	3.78

The profits to cost of road have been deduced from the nominal cost, exclusive of real estate. Had the amount of stock and debts been taken instead of this nominal sum, the profits would have shown at a much lower figure, and, on the average, one-sixth lower. Thus the stock debt in 1865 amounted to $97,003 per mile, while the cost of road, &c., amounted only to $85,496 per mile. Hence the profits to the first sum, were only 3.33 per cent., while to the latter sum they were 3.78 per cent, showing a difference against the company of 0.45 per cent. It may be noted, indeed, that the profits for the last ten years have barely balanced the demands for interest on debt and dividends on the preferred stock. Affairs, however, must have materially improved between Oct. 1, 1865, and July 1, 1866, since at the latter date a dividend of 4 per cent was unexpectedly declared on the common stock—the first since 1854.

MARKET PRICE OF STOCKS.

The Common Harlem Stock has shown the following monthly fluctuations in sale prices for the six years ending Sept. 30, 1865 :

	1859–60.	1860–61.	1861–62.	1862–63.	1863–64.	1864–65.
Oct.	8¼@ 8¾	15 @23¾	10½@14	20¼@ 26½	80 @145	— @ —
Nov.	8¼@ 9¾	18 @18	12 @14	18 @ 28	88 @110	— @ —
Dec.	8¼@ 9¾	12 @14¾	10 @13	21 @ 28½	87½@ 93	— @ —
Jan.	8¼@ 9½	15 @16¾	12¼@13½	27½@ 40	86½@105	— @ —
Feb.	8¾@ 9¾	14 @17	11¾@12¾	32 @ 37¾	102 @187½	— @ —
March.	8 @10½	15¾@16¾	12¼@13½	35 @ 47	101 @152	— @ —
April.	10¾@14½	11¾@16¼	12 @13	42¼@ 76¼	130 @235	— @ —
May	12 @13¾	10¾@12¾	13 @15	79 @116¾	224 @281	— @ —
June.	11¾@12¾	8¾@10½	14 @18½	97½@109½	260 @285	— — —
July.	12¾@17½	9¼@12½	13 @17¾	92 @125	— @—	— @ —
August.	16 @20	10¾@11	14¼@17	125 @179	— @—	— @ —
Sept	18¾@24	10¾@10⅞	15 @22	115 @164½	65 @ 65	— @ —
Year.	8 @24	8¾@23¾	10 @22	18 @179	65 @285	— @ —

The preferred stock of the company has fluctuated as follows:

	1859-60.	1860-61.	1861-62.	1862-63.	1863-64.	1864-65.
Oct.	32 @33½	38½@53½	25½@35	46½@ 53½	107 @130	— @ —
Nov.	33 @35	31 @41	29½@35	42½@ 53½	110 @111	— @ —
Dec.	32½@35	27 @35½	25 @31½	50 @ 54¼	100 @100	— @ —
Jan.	32½@34	36 @42	29¼@32	57 @ 87	102 @112	— @ —
Feb.	32¼@34¼	34 @43	28¼@30½	68¼@ 78	109 @125	— @ —
March.	32½@36¼	38 @41¾	30 @32½	76½@ 86	125½@138	— @ —
April.	35¼@40	38 @41¾	30 @32½	81 @ 94	— @—	— @ —
May.	37 @41¼	25¾@31¼	32¼@37	95 @120¾	— @—	— @ —
June.	37 @40	20½@25¼	35¼@45	89 @108¾	112½@112½	— @ —
July	38¼@44½	22¼@29½	33¼@41	94 @120	— @—	75 @ 75
August.	45 @51	24¼@26¼	35 @42	119 @153	— @—	80 @ 80
Sept	43½@55	25 @35½	39 @48¾	115 @151	— @—	— @ —
Year.	32 @55	20½@53½	25 @48½	42¼@153	100 @138	75 @ 80

From the above it will be seen that the stocks of this company have not been in the market since June, 1864.

The New York and Harlem Railroad Company was chartered by the Legislature, April 21, 1831, and by subsequent acts was authorized to construct and maintain a railroad between New York City and Albany. The work of construction was commenced in the Fall of 1831, and the first section of three-quarters of a mile, extending from Prince street to 14th street, was opened for public use Nov. 26, 1832. The section from 14th st. to 32d st., about one mile, was opened June 10, 1833; from 32d st. to Yorkville, 2¼ miles, May 9, 1834; from Yorkville to Harlem, 2¼ miles, Oct. 26, 1837; from Harlem to Williamsbridge, 6½ miles, Sept. 3, 1842; from Williamsbridge to White Plains, 12 miles, Dec. 1, 1844; from White Plains to Croton Falls, 25½ miles June 1, 1847; and from Croton Falls to Dover Plains, 29 miles, Dec. 31, 1848. The section between Prince st. and the City Hall was opened May 4, 1839, and from the City Hall to the Astor House Nov. 26, 1852. The extension of the road from Dover Plains to Chatham Four Corners, (where it connects with the Albany and West Stockbridge (Western) Railroad,) 50½ miles, was completed Jan. 19, 1852 For the payment of the construction of the division above Dover Plains, "Extension Certificates" were issued to the amount of $2,000,000, payable Feb. 1, 1873, with interest semi-annually Jan. 1 and July 1. These certificates constitute a first lien on the extension. For the satisfaction of these certificates the railroad company agreed to supply the rolling stock for the extension, operate it, and charge therefor the average cost per mile of working the whole line, and to appropriate the net earnings of the extension toward the payment of the interest; and in case such earnings should not be sufficient to pay such interest, then the railroad company to apply thereto, if necessary, three-fourths of the gross earnings from business over their own road to and from stations thereon, and from and to stations on the extension; and in case any deficiency should then exist, the company to issue new for the old warrants, bearing seven per cent. interest, to be paid from the first surplus accruing in the manner stated after the payment of warrants falling due or in arrears. The railroad company also agreed that the holders of the certificates might convert them into the stock of the company These certificates have been so converted to the extent of $1,940,500, the company holding the certificates as a debt against that portion of the road for which they were originally issued. As to the interest, the company paid for several years 3½ per cent. but finally nothing—the construction of the contract having been made the subject of litigation. Few roads of the same importance have so brief a history. Its stocks, however, have always been dealt in at the New York Exchange, and have generally been handled for speculative purposes. Small dividends were paid yearly from 1848 to 1854, but to the close of 1865 had scarcely averaged one-half of one per cent.

through the whole term of the existence of the company. In March, 1860, the common stock was selling at 8, and in June, 1861, at 8¼; but during the speculative period of the war it rose to par, and above, and in June, 1864, was cornered up to 235. Since this period few sales have been made, and the stock is now mainly held by a single individual, who in July, 1866, paid from one pocket to the other a dividend of 4 per cent from operations never earned from operations.

CLEVELAND AND TOLEDO RAILROAD.

The Cleveland and Toledo Railroad is constituted of the following two divisions:

Northern Division—Cleveland to Sandusky.....miles	60.0
Southern Division—Grafton (C. C. and C. R. R.) to Toledo.....	87.5
Total length of road owned by company	147.5
Cleveland, Columbus & Cincinnati Railroad, from Grafton to Cleveland, leased ($66,000 per annum).....	25.0
Total length of road operated by company	172.5

The company is now engaged in changing the line of their road, so as to connect the southern with the northern division at Elyria, and thus save the expenses of the C., C. and C. lease, and give greater facilities to general operations. A Union Passenger Depot is also being constructed at Cleveland, which will enable the passenger trains to pass between Buffalo and Toledo without change.

The equipment of the road on the first of May, yearly, for the past seven years, has been as follows:

	1860.	1861.	1862.	1863.	1864.	1865.	1866
Locomotives.....	32	32	32	32	37	37	37
Passenger cars.....	35	35	35	32	30	28	32
Emigrant do	10	10	10	8	8	9	7
Baggage do	12	12	12	12	12	13	15
Mail do	4	4	4	4	4	4	4
Freight cars—box & stock.....	241	252	270	313	419	403	445
do Rack	98	110	58	46	57	89	112
do Platform.			90	130	130	146	195
Boarding cars	..	..	3	3	3	3	3
Total cars.....	490	496	457	536	693	695	813

OPERATIONS ON THE ROAD.

The following statements exhibit the mileage made by engines and cars, the passenger and freight traffic, and general deductions relating to mileage and charges:

1. Number of miles run by engines and cars.

Year ending April 30,	Miles by engines.	Miles run by cars. Passenger.	Freight.	Total.
1860.....	.....	.....	.....	4,217,225
1861.....	.....	1,075,184	3,923,571	4,998,735
1862.....	610,292	1,034,044	5,520,775	6,554,819
1863.....	663,371	1,139,299	6,145,262	7,284,531
1864.....	768,293	1,591,206	6,170,306	7,762,152
1865.....	.....	1,752,653	5,635,072	7,387,725
1866.....	994,554	1,819,706	7,075,916	8,895,622

2. Number, character and direction of passengers carried:

Year end'g April 30.	Eastward Thro'.	Way.	Total.	Westward Thro'.	Way.	Total.	Both Ways.
1860.....	43,929	76,129	120,058	52,201½	74,219	126,420½	246,478½
1861.....	45,313½	82,531½	127,845	55,345½	84,573½	139,919	267,764
1862.....	46,554	82,621½	129,175½	49,059	79,196½	128,254½	257,430
1863.....	64,643	98,096	162,739	60,798	100,327	161,120	323,859
1864.....	82,063	142,609	224,672	83,130	146,546	229,676	454,348
1865.....	122,006	164,067	286,073	135,772	165,335	300,097	586,172
1866.....	85,356	185,219	270,575	136,504	200,407	336,911	607,486

The following table shows the origin of the passengers—the foreign (or from other roads), and the local:

Year end'g April 30.	Eastward— Foreign.	Local.	Westward— Foreign.	Local.	Total foreign.	Total local.	Foreign & local
1860.	35,709	84,399	44,240½	32,180	79,959½	166,519	246,478½
1861.....	34,880	93,465	46,216	93,603	80,596	187,068	267,664
1862	39,891	96,354½	42,056½	96,196	74,879½	182,550½	257,430
1863.....	46,446	116,296	52,605	108,515	99,048	224,811	3 3.859
1864.....	68,108	161,564	76,391	163,285	139,499	324,849	464,348
1865.....	87,427	198,648	106,005	194,092	193,432	392,740	586,712
1866.....	.....	.....	.....	.....	173,830	434,666	607,486

The following shows the total passengers, the equivalent number carried one mile and through, with the average miles travelled by each passenger, with the receipts from each, and the average receipts per mile travelled:

Year end'g April 30.	Paseeng's carried.	Equiv't number carried— one mile.	Through. *	Av. miles travel.	Avg. receipts— Per pasg'r.	Per m.
1860	246,478½	14,324,653	131.775	60.1	$1 70;2	2.85c
1861.....	267,664	16 753,5 3	149,585	62.6	1 65;6	2.70c
1862.....	257,430	15,909,705	142,051	61.7	1 66;0	2.69c
1863.....	323,859	20,650,278	184,376	63.7	1 74;3	2.73c
1864.....	464,348	28,498,362	254,450	61.3	1 68;8	2.75c
1865.....	586,172	38,133,340	340,476	65.0	1 87;4	2.88c
1866.....	607,486	37,263,769	311,284	61.3	1 87;8	3.06c

These tables show a wonderful development of the passenger traffic on this road—a traffic which will probably be largely increased when the additional conveniences at Cleveland for transfer are completed.

8. Quantity (tons) and direction of freight carried:

Years end'g April 30,	Eastward. Thro'	Way.	Total.	Westward. Thro'	Way.	Total.	Both ways.
1860.....	94,678	54,929	149,607	41,807	29,599	71,406	221,013
1861.....	115,313	54,706	170,018	49,808	30,657	80,465	250,483
1862.....	152,228	71,099	223,418	56,399	31,535	87,934	311,352
1863	201,385	73,068	274,453	71,387	37,963	109,350	383,803
1864.....	187,019	97,772	284.791	92,725	54,901	147,626	432,417
1865.....	159,913	104,036	263,949	90,983	55,469	146,452	410,401
1866.....	229,109	71,757	300,866	119,208	54,154	173,357	474,223

The following shows the total tonnage and equivalent tons carried one mile and through (112 miles), with the average receipts for each ton and for each ton per mile:

Years end'g April 30,	Total tonnage.	Equiv. tons carried— One mile.	Through.	Av. mls. carried.	Av. receipts.— P. ton.	P. m.
1860.....	221,013	19,324,697	171,775	87.4	$1 85:8	2.12c
1861.....	250,483	23.094,101	202,626	90.6	1 85:3	2.05c
1862..... ..	311,252	28,687,413	256,138	92.2	1 85:2	2 0c
1863.....	383,803	35,510,471	317,058	92.5	2 07:6	2.24c
1864.....	432,417	37,644,347	336,110	87.0	2 09:8	2.41c
1865.....	410,402	34,791.292	310,636	84.7	2 45:0	3.89c
1866.....	474, .23	44,328,972	406,869	93.5	2 63:1	2.81½c

From this, it appears that the freight traffic has more than doubled within the period included in the statement; and, what is evidence of progress, the last year of the series shows the highest results, although the local traffic in that year was a large per. centage below that of the next preceding year. The company has joined other roads in forming a through freight line between Chicago and the seaboard via the New York Central Railroad, which line has added largely to the freight traffic of this road. A similar line, to run in connection with the Erie Railroad is proposed.

FINANCIAL RESULTS, YEARLY.

The earnings from operations and the working and other expenses, yearly, for the seven years embraced in the foregoing exhibits of operations, are shown in the following statement.

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* Estimated on the distance between Cleveland and Toledo—112 miles.

The earnings have been as follows:

Years end'g April 30	Passenger earnings—Foreign.	Passenger earnings—Local.	Passenger earnings—Total.	Freight and mail earnings.	Total earnings.
1860	$190,821 51	$233,402 36	$424,223 87	$409,047 49	$833,271 36
1861	200,786 63	252,486 80	453,254 66	466,716 42	919,971 08
1862	175,880 00	251,405 21	427,285 25	579,352 07	1,006,637 32
1863	232,419 66	332,117 16	564,536 82	796,000 44	1,361,537 26
1864	196,684 89	587,374 52	984,059 41	907,206 42	1,691,265 83
1865	476,333 44	622,662 21	1,098,695 65	1,00 ,402 99	2,104,098 64
1866	.....	.....	1,222,236 20	1,165,631 82	2,388,868 02

These earnings have been disbursed as follows:

Years end'g April30.	Expenses—Operating expenses.	Expenses—Taxes, rents, extraord.,&c.	Expenses—T'l before int. & div.	Interest paid on bonds.	Dividends paid on stock.	Balance carried to income ac't
1860	$367,736 50	$120,612 71	$488,349 22	$268,818 22	$.....	$76,104 92
1861	426,015 40	96,368 30	522,383 70	268,953 00	.....	128,634 38
1862	460,149 22	91,413 19	551,562 41	269,077 58	100,814 00	82,683 33
1863	544,432 49	107,004 98	651,437 47	265,198 13	133,753 00	311,009 66
1864	729,272 54	138,2 8 99	867,551 50	238,668 91	337,523 36	247,523 00
1865	1,080,756 04	188,562 04	1,269,318 08	179,869 22	493,642 10	162,289 24
1866	1,117,074 50	236,076 05	1,353,150 55	172,636 22	637,023 00	226,059 25

An extra dividend of 10 per cent. ($491,826) was paid in August, 1864, and charged to profit and loss. Since the commencement of operations to April 30, 1866, sixteen dividends have been paid, as follows:

1.	April, 1854	5 p. c..	$167,190 00	9.	April, 1863	4 p. c..	$133,752 00
2.	Oct , 1854	5 p. c..	167,190 00	10.	Oct., 1863	4 p. c..	148,912 00
3.	April, 1855	5 p. c..	167,190 00	11.	April, 1864	4 p. c..	188,610 80
4.	Oct., 1855	4 p. c..	133,752 00	12.	Aug., 1864*	10 p. c..	491,826 00
5.	April, 1856	4 p. c..	133,752 00	13.	Oct., 1864	5 p. c..	245,768 42
6.	Oct., 1856	4 p. c..	133,752 00	14.	April, 1865	5 p. c..	246,873 68
7.	April, 1857	4 p c..	133,752 00	15.	Oct., 1865	5 p. c..	249,774 00
8.	April, 1862	3 p. c..	100,314 00	16.	April, 1866	8 p. c..	387,248 00

—making a total of $3,229,156 40. The amount for April, 1864, and subsequent dates include the United States tax.

FINANCIAL CONDITION OF COMPANY.

The following is an analysis of the general account, made up to June 1, yearly:

June 1,	Capital stock.	Funded debt.	Const, tel. & iron acct.	Bills payable.	Current accou'ts.	Income bala'e.	Total amount.
1860	$3,343,812	$3,848,420	$.....	$286,083	$76,463	$305,405	$7,860,182
1861	3,343,800	3,850,570	.....	196,414	92,968	128,634	7,612,406
1862	3,343,800	3,850,595	.....	148,660	74,447	211,318	7,628,820
1863	3,526,600	3,667,595	.....	.....	94,296	522,417	7,810,888
1864	4,654,800	2,439,990	117,529	4,989	119,780	769,94	8,107,008
1865	4,690,600	2,614,810	136,389	53,743	134,455	440,884	8,070,890
1866	4,841,600	2,746,280	.....	3,742	111,254	666,943	8,369,819

Against which are charged the following, viz.:

June 1,	Cost of—Railroad.	Cost of—Equipm't.	Stks & bds of oth. co's.	Real estate.	Materials, Sinking fund.	Materials, bills, dues, &c.	Cash on hand.
1860	$6,771,891	$461,149	$238,239	$36,323	$60,707	$283,056	$5,818
1861	6,697,178	483,160	89,299	29,253	85,469	316,122	15,701
1862	6,699,378	504,420	95,679	29,812	101,578	182,459	15,489
1863	6,700,495	530,727	55,025	34,211	137,213	226,736	126,282
1864	6,699,378	693,257	55,025	41,565	172,791	308,534	136,462
1865	6,699,573	72 ,449	56,737	39,015	197,791	314,308	89,019
1866	6,672,157	868,769	35,115	57,317	221,791	336,058	178,612

The following shows the details of the bonded debt at the close of each of the years:

	1861.	1862.	1863.	1864.	1865.	1866.
June—Inc., June 1, '62	$44,000	$22,000	$.....	$.....	$.....	$.....
" (Lloyds) Oct. 1, '62	5,000	5,000	.....	.....	.....	.....
" 2d Mort., Nov. 1, 1862	265,000	221,000	.....	.....	.....	.....
T. N. & C.—1st Mort., Aug. 1, 1863	521,000	521,000	439,000	9,000	3,000	.....
" 2d Mort., Aug 1, 1863	293,200	293,200	176,500	...	.. ...	.....
C. & T.—Inc , Sept. 1. '63	126,500	104,400	66,150	250	.....	.....
" Inc., (conv.) July 1, 1864	596,900	430,000	288,000	288,000	.....	.....
" Div. bonds, April 1, 1865	162,770	151,495	129,215	125,740	12,810	280

* Extra.

June—1st M. (1st Div.), Apr. 1, 1867...	359,000	299,000	283,000	244,000	229,000	213,000
C. & T.—Inc., Sept. 1, '70	42,000	39,000	25,000	6,000	6,000	6,000
June—1st M. (2d Div.), Dec. 1, 1872 ...	263,000	219,000	164,000	161,000	159,000	146,000
C. & T.—S'k'g fund, July 1, 1885 1,173,000	1,545,000	2,677,000	1,802,000	2,305,000	2,081,000
" Mort., July 1, 1886.....	....	.....	.....	.....	.....	300,000
Total.....3,850,570	3,850,595	3,667,595	2,633,990	2,614,810	2,726,260
Redemption funds.....	.....	.....	581,270	194,000	.....	.....

PROPORTIONAL DEDUCTIONS.

We deduce from the foregoing statements as follows, viz: the cost of road and equipment per mile; the earnings, expenses and profits per mile; and the ratio of expenses to gross earnings, and of the profits to cost of road. In this connection, however, it is proper to state that the expenses here meant are not only the working expenses, but include taxes, rents, and all other payments from income, before interest and dividends. We give also the per centage of the surplus, after dividends, to the stock outstanding:

	Cost of R.R. & C. p. m.	Amount per mile— Gross earn'gs.	Total expen's.	Net profits.	Ratio per centum— Exp'ses to earn'gs.	Profits to cost.	Surp's to stck
1860.....	$49,058	$5,649	$3,311	$2,338	58.63	4.77	2.27
1861.....	48,680	6,237	3,542	2,695	56.95	5.53	3.82
1862.....	48,639	6,804	3,749	3,055	55.10	6 25	2.47
1863.....	49,252	9,231	4,417	4,814	47.85	9.77	8.82
1864.....	50,129	11,466	5,882	5,584	51.52	11.19	5.32
1865.....	50,822	14,265	8,605	5,660	60.32	11.24	3.45
1866.....	51,125	16,196	9,174	7,022	56.64	13.73	4.67

The total surplus accumulated in the seven years was $1,284,877 90. The surplus at the close of the fiscal year, 1860 ($76,108 82), was carried to construction, which leaves $1,158,268 98 to be accounted for. Of this, the 10 per cent. dividend declared in August, 1864, took $491,326 00, and the amount to credit of the shareholders April 30, 1866, was $666,942 98, or 13.77 per cent. on the present share capital.

PRICES OF THE COMPANY'S STOCK.

The monthly range of the prices at which this stock has sold at New York during the six years ending with June, 1866, is shown in the subjoined statement:

Months.	1860-61.	1860-1.	1861-2.	1863-64.	1864-5.	1865-6.
July.....	30 @33¼	28¼@33	45 @ 49¾	109 @117	131 @144	101 @104
Aug.....	33¼@49	28¼@30¼	46¾@ 54¼	113 @123	125¼@134	96¼@102
Sept.....	43¾@49¼	29 @30¾	52¾@ 60¾	112 @121	108 @126	102 @109
Oct.....	31 @48	29¼@33¼	67½@ 70	114 @120	95 @116	100 @111
Nov.....	24¼@35¼	33 @33¾	65¾@ 70¼	113 @119¼	108 @114¾	102¼@105
Dec.....	20 @31	28 @36¼	66 @ 71½	100 @121	107 @112¾	102½@115
Jan.....	33¼@37½	33¾@42½	77¾@ 97	120 @141	108 @118	103 @113½
Feb.....	27½@38	40¼@46	86¾@ 96½	138¾@149½	113 @115	105 @108½
Mar.....	33 @37	44¾@47¾	93¾@ 98¾	142 @151½	91 @111	107 @113
April.....	23¼@36½	40¾@46	92¼@106¾	135 @157	92 @103	99¾@106¼
May.....	20¼@25¾	41¾@47¾	108 @117	145 @154¾	95 @103½	103 @105¾
June.....	20¾@34½	44¾@49¾	105 @116¾	135 @151½	98 @105	104¼@107
Year.....	20 @49¾	28½@49¾	45 @117	107 @157	90 @144	96½@115

Dividends are paid in April and October.

The history of the Cleveland & Toledo Railroad Company will be found in the MAGAZINE for September, 1865, p. 289.

MARIETTA AND CINCINNATI RAILROAD.

The Marietta and Cincinnati Railroad consists of a main line and several branches as follows:

	Miles.
Main line—Marietta to Loveland.....	178
Branch—Harmar to Belpré (Union Railroad).....	9
" —Hamden to Portsmouth (Scioto and Hocking Valley R.R.).....	56
" —Blanchester to Hillsboro (Hillsboro and Cincinnati R.R.).....	21
Total length of line.....	269

Since the close of the last fiscal year the Company have completed an extension from Loveland to Cincinnati, about 25 miles. The branches were originally constructed by separate companies, and subsequently purchased by the Marietta and Cincinnati Company. Hitherto, the Company have used the Little Miami track to carry their cars into Cincinnati.

The car equipment consists of 20 passage, 9 baggage, 4 caboose, 200 box, 58 cage, 95 coal, 112 flat, and 7 lime; total, 505 cars. During the year there were built at the Company's shops 4 passenger, 3 baggage, 45 coal, 1 lime, 7 flat, and 2 derrick cars; and there were purchased 2 passenger and 100 box freight cars; total, 164 cars added during the year. The number of locomotives on all the lines is 58, of which 5 were purchased in 1865.

The *earnings* and *expenses* for the two years ending Dec. 31, are shown in the following statement:

	1864.	1865.
Passenger earnings	$466,913 74	$570,765 51
Freight "	518,167 86	592,853 21
Mail "	23,970 82	23,737 44
Express "	15,316 80	25,617 56
Telegraph "	13,796 03	11,084 56
Total earnings	$1,038,165 25	$1,224,058 28
Operating expenses	610,760 11	778,756 03
Balance to profit and loss	$427,405 14	$445,302 25

The gross receipts, monthly, from the date of re-organization (Aug. 15, 1860) to the close of 1865, are shown in the following table:

	1860.	1861.	1862.	1863.	1864.	1865.
Jan	$	$40,873 77	$33,904 04	$38,202 72	$77,010 02	$96,672 29
Feb	.....	34,778 19	26,252 04	53,778 25	74,408 67	87,790 69
March	.....	38,324 47	25,891 25	60,540 06	89,901 09	93,762 15
April	.....	33,999 80	38,579 40	64,305 82	72,389 35	78,807 02
May	.....	31,023 56	32,667 54	3 ,325 66	88,993 30	76,248 39
June	.....	40,274 82	29,383 48	40,706 50	78,698 92	107,524 73
July	.....	48,726 69	37,270 88	58,704 07	91,809 25	104,608 39
August	22,334 89	34,071 11	56,686 84	52,864 51	90,972 33	115,193 71
Sept	45,758 75	39,275 01	46,452 47	77,112 14	94,077 63	125,251 92
Oct	48,391 18	32,164 69	81,328 75	83,058 71	93,545 83	116,495 05
Nov	41,916 55	29,359 82	55,257 12	76,708 85	96,908 02	116,146 27
Dec	37,750 05	36,802 21	48,543 92	68,863 03	95,452 36	105,766 68
Total	196,152 42	499,676 04	512,217 73	710,225 34	1,038,165 25	1,224,058 28

The *profit and loss account* for the two last years shows the following results:

	1864.	1865.
Balance from previous year	$242,464 34	$675,948 76
Net earnings for year	427,405 14	445,302 20
Balance interest account	45,879 53	14,088 90
Premium on sterling bonds sold	256,779 75	.....
Total resources	$1,102,528 81	$1,135,339 86
Cash dividend (3 p. c.) on preferred stock	179,974 50	.....
Interest on bonds and scrip	161,831 97	237,031 99
" " Baltimore loan	1,200 00	1,200 00
New York office expenses	4,081 78	57 30
Compensation for personal injuries	.....	15,821 27
Rent of Little Miami Railroad	60,000 00	76,987 37
Federal taxes	10,169 31	33,862 90
State "	9 3 2 49	12,579 02
Balance to credit	675,948 76	758,300 01
Total disbursements	$1,102,528 81	$1,135,339 86

It will be seen from the above that several accounts have been disbursed from profit and loss that properly belong to operating expenses. These are the rent of the Little Miami Railroad, Federal and State taxes, and compensation for personal injuries. Deducting these amounts, in 1864 $79,501 80, and in 1865, $138,750 56, the net earnings carried to profit and loss would have been only $347,903 34 and $306,-

551 64, respectively, instead of $427,605 14 and $445,302 20, as they appear in the above account.

The *financial condition* of the company as exhibited on the balance sheets of December 31, 1864 and 1865 was as follows:

	1864.	1865.
M. & C. R. R. & equipment	$9,936,194 19	$10,543,877 69
Union R. R. purchase	169,238 58	169,238 58
Hillsboro Branch purchase	1,820,626 14	1,832,799 06
Scioto & Hocking Valley R.R. purchase	800,000 00	800,000 00
Construction—main line	1,326,648 37	1,992,076 23
" —Cinc. extension	871,944 23	1,117,772 24
Discount on 1st mortgage bonds	108,595 58	195,014 92
Total railroad and equipment	$14,936,257 09	$16,650,778 72
Real estate	297,524 79	330,485 56
Materials on hand	105,521 05	102,188 59
Bonds and stocks	.....	238,350 00
Cash due from banks and bankers	466,012 42	101,974 67
Total debit	$15,805,315 35	$17,429,777 54
Derived from the following sources, viz:		
1st preference shares and scrip	$6,205,474 67	$6,586,194 87
2d " " "	3,819,771 78	4,051 744 50
Common stock and scrip	2,022,484 75	2,029,778 25
Sterling bonds	1,000,000 00	1,00 ,000 00
Dollar bonds and scrip	1,691,292 99	2,368,385 27
S. & H. Val. R.R. mortgage bonds	300,000 00	3 0.000 00
Baltimore Loan to Union R. R.	20,000 00	20,000 00
Total stocks and bonds	$15,059,024 19	$16,356,0 2 89
Pay Rolls	37,332 46	83,928 28
Bills payable	18,494 44	221,734 35
Cash dividends on preference shares unpaid	14,515 50	11,472 00
Balance credit profit and loss	675,948 76	758,300 00
Total credit	$15,805,315 35	$17,429,777 54

The following statement exhibits the progress of the construction accounts periodically or yearly since the re-organization:

Periods.	General Account.	Cincinnati Extension.	Total Amount.
Aug. 15, 1860 to June 30, 1862	$15,623 98	$.....	$15,623 98
July 1, 186 to June 30, 1863	119,017 03	.....	119,017 03
July 1, 1863 to Dec. 31, 1863	245,120 00	1,831 10	246,951 10
Jan. 1, 1864 to Dec. 31, 1864	714,887 37	870,113 13	1,585,000 50
Jan. 1, 1865 to Dec. 31, 1865	755,427 86	245,828 01	1,001,255 87
Total	$1,992,076 23	$1,117,772 24	$3,109,848 47

The bond account at the close of the two last years stood as follows:

	1864.	1865.
Sterling 7 p.c. bonds 1892, coupons Feb. & Aug	$1,000,000 00	$1,000,000 00
Dollar 7 p.c. bonds 1892, coupons Feb. & Aug	1,691,292 99	2,368,385 27
Scioto & Hocking Valley 7 p.c. bonds 1888, coup. May & Nov	300,000 00	300,000 00
Baltimore Loan	20,000 00	20,000 00
Total bonded debt	$3,011,292 99	$3,688,385 27

—showing an increase in the last year of $77,092 28.

The market price of the company's stocks at New York has shown the following monthly fluctuations during the two years embraced in the foregoing exhibit:

	1st Preference.		2d Preference.	
	1864.	1865.	1864.	1865.
January	64 @65	..@..	..@..	..@..
February	68 @70	..@..	..@..	..@..
March	68 @90	..@..	47@69	30@30
April	70 @89	..@..	45@65	..@..
May	65 @74	40@40	45@45	..@..
June	70 @77	38@40	50@53	..@..
July	70½@74	38@40	..@..	..@..
August	65 @70	37@40	..@..	22@22
September	53 @65	42@50	..@..	24@25
October	55 @56	45@47	..@..	25@25
November	.. @..	45@55	..@..	28@30
December	.. @..	50@55	..@..	30@32½
Year	53 @90	37@55	45@69	22@32½

The Marietta and Cincinnati Railroad Company were chartered under an act of the Legislature of Ohio, passed March 8, 1845; and commenced the work of construction early in 1851. From Chillicothe to Greenfield, 28 miles, was opened for traffic in April, 1854; from Greenfield to Blanchester, 34 miles, in 1855, and thence to Loveland, 16 miles, was part of the Hillsboro' and Cincinnati Railroad. The eastern division of the road was opened as follows: Chillicothe to Byers', 37½ miles, in the spring of 1855; Byers' to Athens early in 1856, and Athens to Marietta, 39½ miles, April 20, 1857. The last rail had been laid on the 9th. The trains of the Marietta and Cincinnati Company were run over the whole line, via the Little Miami Railroad into Cincinnati, May 11, 1857.

The original great route of travel eastward from Cincinnati was through Chillicothe and Marietta, O., and Clarksburg, Va., to Washington, Baltimore, and Philadelphia. It was then regarded as the future great route of travel and commerce. This was based on the geographical idea that it was on the most direct line possible to navigable tide-water. The certainty of rich results anticipated from the construction of a railroad from Cincinnatti directly eastward, called forth the energies of various rival interests and enterprises, which, by a strong combination, threatened serious embarrassements in prosecuting to an early completion either of the lines projected. Two companies were organized with authority to build railroads respectively from Cincinnati to Marietta, viz: the Marietta and Cincinnati (as above), and the Hillsboro' and Cincinnati. Both entered upon the work of constructing their roads with great energy and determination. Financial troubles, caused by the withholding of foreign capital to aid in the completion of American railroads, however, brought the managers of these two companies to confer together upon their interests and to devise means to save their stockholders from loss and to secure the building of one through railroad. The conferences held resulted in a contract of union, equivalent to a consolidation of the two companies, under which the stock of both was made of equal value by a provision that dividends should be made from their common earnings and always of equal amount, and that the earnings of both should be applicable to the payment of the interests of the debts of both the companies, which were placed under a consolidated management. Many advantages accrued from this arrangement —competition, whether for credit or business was at once destroyed, and a greater breadth of territory secured to the one road.

The Hillsboro' and Cincinnati Railroad, above spoken of, was chartered March 2, 1846, and complete from Loveland to Hillsboro' 37½ miles, in 1852. The contract above recited went into operation February 1, 1854.

Scarcely had the line from Marietta and Cincinnati come into use than the financial horizon became clouded, and the storm of 1857 swept over the country; business of all kinds was almost suspended and railroad property especially was adversely affected. The consequence to the Marietta and Cincinnati company was that they became insolvent and unable to pay the coupons of the bonded debt; scarcely, indeed, was sufficient collected to pay current expenses, and on several occasions troubles occurred with the employes. Thus passed two unpropitious years, when a reorganization was proposed and carried into effect, inaugurating the present company as successors of the original company.

About $12,000,000 had been expended upon the property prior to the insolvency of 1857. Litigation ensuing, the property was placed in the hands of a receiver, and so remained to the period of reorganization. At the date of the insolvency the cost of the property was represented as follows, viz: stock $3,500,000; 1st mortgage bonds $2,500 000; 2d mortgage bonds $2,000,000; 3d mortgage bonds $1,500,000; domes-

tic bonds about $1,200,000, and floating debt about $1,500,000;—total $12 200,000. The basis of the reorganization was $8,000,000, and the capital account as of the 15th August, 1860, stood as follows on the company's books: first preferred shares, $8,295,900; second preferred shares, $2,637,800; common shares, $1,850,000; preferren stock scrip, $3,750; total, $7,787,500. To this should be added, $201,471, a temporary loan effected by the trustees who purchased the property for the benefit of the parties in interest.

At the first meeting of the stockholders the Board of Directors were authorized—

1st. To purchase the railroad of the Hillsboro' and Cincinnati Company.

2d. To purchase the railroad of the Union Railroad Company.

3d. To increase the capital stock to $10,000,000; and

4th. To create a mortgage on the property and franchises of the company for such sum as in their judgment might be necessary to complete the railroad and its extensions and connections.

All these requirements have been carried out but the road is not yet perfect. It is indeed, a work of great difficulty, requiring several large tunnels. The extension into Cincinnati is so far complete as to permit the passage of trains. The Ohio River at Parkersburg is still crossed by ferry, but this will be superseded at no distant day by a bridge now being constructed. Probably also the road will be ultimately extended west to Dayton and east to Wheeling; such extensions are necessary to complete connections with existing lines. With these the road will be what is claimed for it—the best route between the seaboard cities and Cincinnati, St. Louis, &c. in the interior. Several years, however, will necessarily be consumed in bringing the enterprise to completion, and large sums of money will yet be required for the purpose.

The Portsmouth Branch is the Scioto and Hooking Valley Railroad which was purchased in 1863 for $600,000.

MICHIGAN CENTRAL RAILROAD.

The *results of operations* on this road for the year ending May 31, 1866, and the four previous years, are shown in the following statement:

	1862.	1863.	1864.	1865.	1866.
Passenger	$734,915	$869,689	$1,262,415	$1,771,814	$2,061,335
(Av. p. ton p. m., cts	2.51	2.49	2.44‡	2.59	2.73)
Freight	1,559,061	1,963,757	2,073,274	2,233,539	2,306,592
(Av. p ton p. m., cts	1.91	1.99	2.95	3.06	2.60)
Miscellaneous	77,265	73,121	98,859	140,976	176,562
Total earnings	$2,361,241	$2,946,560	$3,434,548	$4,145,419	$4,446,490
Expenses	1,149,153	1,272,860	1,720,125	2,406,149	2,803,376
(Expenses to earnings	48.67 p. c	43.18 p. c.	50.08 p. c.	58.04 p. c.	63.16 p. c)
Net earnings	$1,212,088	$1,674,208	$1,714,423	$1,739,270	$1,638,114

The *income accounts*, varying somewhat from the above, supplies the following figures for the same years:

	1862.	1863.	1864.	1865.	1866.
Bal. from old account	$38,434	$312,194	$772,636	$1,002,894	$708,395
Receipts from ear'gs	2,368,580	2,947,917	3,417,186	4,121,213	4,415,279
Total means	$2,407,093	$3,260,111	$4,189,822	$5,124,107	$5,152,664
Which is accounted for as follows:					
Expenses	$1,149,153	$1,272,860	$1,720,125	$2,406,149	$2,803,376
Sinking fund	84,500	84,500	84,500	84,500	8 ,500
Interest and exchange	679,463	617,957	600,217	622,691	642,736
Cash dividend July	....	(3)181,713	(6)363,422	(12)757,869	(4)259,648
do Jan.	(3)181,713	(5)302,860	(6)363,422	(6)378,942	(5)344,035
Stock div. July, 1865	....	....	....	....	(6)299,472
U. S. tax on dividend	....	26,365	21,753	69,965	55,722
do on receipts	....		32,469	95,280	113,351
Bal. to new account	312,194	772,636	1,002,894	708,395	480,903

The *general account* on the 31st May, yearly, has been as shown in the following statement:

	1862.	1863.	1864.	1865.	1866.
Capital stock	$6,057,710	$6,057,436	$6,315,906	$6,491,386	$6,982,866
Bonds	7,999,489	7,999,489	7,740,989	7,565,489	7,463,489
U. S. tax on coupons	....	4,956	5,435	158	56
Unpaid dividends	1,781	487	1,598	660	1,059
Bills and sundries	....	....	....	15,492	279,915
Balance of income	312,194	772,687	1,602,894	708,885	460,803
Total	$14,371,174	$14,834,955	$15,066,822	$14,781,570	$15,188,190

Against which are charged as follows:

Construction	$12,847,238	$13,805,576	$13,805,576	$13,805,576	$14,316,422
Materials	....	....	....	174,026	288,065
Cash, bonds, &c.	206,146	654,725	807,841	242,106	75,750
N. A. & S. R. R. stock	609,764	....	....	....	....
J. & N. I. R. R. stock	168,225	168,225	168,225	168,225	168,225
do constr	40,768	....	....	....	....
Land accounts	....	....	....	214,178	195,911
Steamboats	304,008	....	....	....	....
Ass. in officers' hands	60,458	168,310	75,736	137,069	145,737
Accounts and bills	134,567	38,118	209,444	39,596	68,078
Total	$14,371,174	$14,834,955	$15,066,822	$14,781,570	$15,188,190

FOREIGN TRADE OF NEW YORK FOR THE YEAR ENDING JUNE 30.

We are able now to complete our tables showing the foreign trade of New York for the fiscal year, having received the official figures for June. The business for the year has been, as our readers have become aware from our monthly tables, very large—in fact, beyond precedent—but much of this is due to the peculiar circumstances incident to the close of the late war.

IMPORTS.

It should be remembered, in examining the imports, that the increase this year arises in great part from the fact that the South has supplied her wants through New York almost entirely, instead of importing directly, and, therefore, as we stated last month, the imports at this port bear a much larger proportion to the total imports of the country than formerly. The imports for June we give below, adding the figures for the two previous years:

FOREIGN IMPORTS AT NEW YORK FOR THE MONTH OF JUNE.

	1864.	1865.	1866.
Entered for consumption	$5,513,985	$8,542,271	$10,682,723
Entered for warehousing	16,906,964	7,123,792	10,957,050
Free goods	1,358,634	953,226	1,002,330
Specie and bullion	146,731	236,032	94,549
Total entered at the port	$23,926,314	$16,855,321	$22,736,652
Withdrawn from warehouse	2,544,914	6,346,958	8,967,431

From the above it will be seen that the total goods thrown on the market during each year in June was as follows:

FOREIGN GOODS MARKETED IN JUNE.

	1864.	1865.	1866.
Entered for consumption	$5,513,985	$8,542,271	$10,682,723
Free goods	1,358,634	953,226	1,002,330
Withdrawn from warehouse	2,544,914	6,346,958	8,967,431
Total marketed	$9,417,533	$15,842,455	$20,652,484

The large comparative increase in goods marketed for June, 1866, is probably due

to the rumors that the new tariff was to apply to goods in bond. Below we give the total imports for the six months ending June 30:

FOREIGN IMPORTS AT NEW YORK FOR THE SIX MONTHS FROM JAN. 1.

	1864.	1865.	1866.
Entered for consumption	$76,034,89	$38,125,898	$88,759,762
do warehousing	54,744,422	42,811,119	66,426,467
Free goods	6,152,414	5,023,712	7,096,616
Specie and bullion	1,427,014	1,051,823	1,180,186
Total entered at port	$138,358,539	$92,012,052	$163,403,031
Withdrawn from warehouse	32,839,737	41,626,821	49,993,854

The increase in imports for the six months over 1865 is about 100 per cent., being $163,403,031 in 1866, against $82,012,052 in 1865. That our readers may see the movement each month, we have prepared the following, showing the value imported and marketed each month since January, with the totals for the previous six months:

FOREIGN IMPORTS AND AMOUNT MARKETED AT NEW YORK FOR TWELVE MONTHS.

	1864–65		1865–66	
	Total imports.	Total thrown on market.	Total imports.	Total thrown on market.
Six months	$79,767,221	$89,201,651	$147,730,367	$135,457,584
January	10,620,117	11,711,178	30,109,830	27 219,868
February	11,473,668	11,472,456	30,692,557	26,560,801
March	16,012,873	13,602,088	26,204,940	24,224,630
April	14,174,464	14,369,609	24,840,605	23 269,891
May	12,876,109	17,688,145	28,618,447	23.973,558
June	16,853,891	15,842,455	22,736,652	20,652,484
Total 12 months	$161,779,273	.....	$306,133,398	.....
Deduct specie	1,890,431	.....	2,251,644	.....
Total merchandize for 12 months.	$159,888,842	$153,977,582	$303,881,794	$280,858,816

The following statement gives the totals for the year:

FOREIGN IMPORTS AT NEW YORK FOR THE FISCAL YEAR ENDING JUNE 30.

	1863–64	1864–65.	1865–66.
Entered for consumption	$139,084,068	$65,189,115	$175,849,845
do warehousing	83,459,792	82,206,123	112,356,494
Free goods	10,374,106	10,603,200	12,423,741
Specie and bullion	2,099,057	1,890,431	2,251,644
Total entered at port	$234,967,045	$159,888,842	$303,881,724
Withdrawn from warehouse	63,095,973	76,267,362	88,891,375

From the above, it will be observed that the total imports this year were $303,881,724, against $159,888,842 last year, showing about the same increase for the year as for the last six months. We have classified this statement, and give the figures below, showing the imports of dry goods and general merchandise separately:

DESCRIPTION OF IMPORTS FOR THE YEAR ENDING JUNE 30.

	1863–64.	1864–65.	1865–66.
Dry goods	$83,234,966	$47,968,508	$136,075,645
General merchandise	149,633,022	110,034,903	165,554,435
Specie and bullion	2,099,057	1,890,431	2,251,644
Total imports	$234,967,045	$159,888,842	$303,881,724

CUSTOMS RECEIPTS.

The following table gives the customs receipts at this port for the eleven months:

RECEIPTS FOR CUSTOMS AT THE PORT OF NEW YORK.

	1864.	1865.	1866.
Six months	$35,042,776 45	$24,472,902 73	$35,007,328 97
January	6,180,536 09	4,281,737 47	12,487,474 16
February	7,484,027 93	4,791,947 10	12,008,272 74
March	7,659,770 47	5,393,099 26	11,172,154 69
April	13,982,555 60	6,809,994 34	10,950,896 78
May	3,665,186 46	3,135,423 06	11,418,492 10
June	3,311,148 43	7,837,075 84	9,559,898 88
Total for twelve months	$77,506,201 43	$61,161,079 80	$132,695,518 65

These figures for 1866, it will be noticed, do not precisely agree with those we received last month from Washington, and published in the August MAGAZINE, page 152.

EXPORTS.

The imports as given above are stated, of course, in their foreign gold value, freights and duty not added, while the exports of merchandise are given in their currency values This fact should be remembered in comparing the increase of exports with the increase noted in our imports. At the same time, as affecting the balance of trade, we mus' also remember the exports of cotton from Southern ports, which have been for the year over 1,000,000 bales: this, at $150 (specie) per bale (which, we think, is a fair average), would show an export value from the Southern ports of cotton alone of $150,000,000 in gold. This item plainly indicates how we have paid for our large imports. Below, we give the tables of exports. The following is the comparative summary for June:

EXPORTS FROM NEW YORK TO FOREIGN PORTS IN THE MONTH OF JUNE.

	1864.	1865.	1866.
Domestic produce	$17,996,495	$8,079,802	$9,601,069
Foreign free goods	75,709	35,417	55,074
Foreign dutiable goods	1,282,218	131,425	606,255
Specie and bullion	6,533,109	5,199,472	15,890,956
Total exports	$25,887,531	$13,446,116	$26,153,374
do exclusive of specie	19,354,422	8,246,644	10,262,418

The exports since Jan. 1 are as follows:

EXPORTS FROM NEW YORK TO FOREIGN PORTS FOR SIX MONTHS FROM JAN. 1.

	1864.	1865.	1866.
Domestic produce	$85,286,922	$68,148,767	$104,25[illegible],186
Foreign free goods	397,695	634,896	458,794
do dutiable	4 131,855	2.143,022	3,025,987
Specie and bullion	29,152,121	17,915,759	45,782,480
Total exports	$119,028,563	$88,242,444	$153,521,347
do exclusive of specie	89,876,442	70,926,685	107,738,917

The following will show the total for the twelve months from July 1 to June 30, inclusive:

EXPORTS FROM NEW YORK TO FOREIGN PORTS FOR THE FISCAL YEAR ENDING JUNE 30.

	1863-4.	1864-5.	1865-6.
Domestic produce	$161,842,911	$184,617,534	$210,352,823
Foreign free goods	838,526	2,419,689	762,633
do dutiable	6,244,339	15,835,263	4,323,375
Specie and bullion	58,274,230	39,589,259	57,870,354
Total exports	$227,199,996	$242,462,044	$273,309,185
do exclusive of specie	168,925,776	202,872,785	215,438,831

We thus see a total currency value of exports at this port for the year of $215,438,831, against $303,881,724 in foreign gold values of imports. If to these exports, however, we add the value of the cotton exports from the Southern ports, we have a very different balance.

COMMERCIAL CHRONICLE AND REVIEW.

Commercial and monetary affairs for August—Rates for loans and discounts—Course of Consols and Five-twenties in London—Prices Railroad and other Stocks—Course of Exchange—Prices of Governments—Coupon *vs.* Registered Bonds—Price of Gold each day—Treasure Movement, etc.

August has not been characterized by that general commercial activity which was anticipated. The common supposition that, having now done with war, we should witness a return to the course of commercial affairs current in former times, has not been realized. The Southern and Southwestern demand for goods has not been forthcoming early in August, as in bygone years, for the very obvious reason that as buyers from the South can operate only for cash, they are compelled to defer their purchases as late as possible. City merchants do not appear to have anticipated this very reasonable course of affairs, but prepared for the Fall business with the opening of August, and have consequently suffered disappointment, but without inducing any panicky tendency The very satisfactory prospects of the Western crops have created confidence in an ultimate large demand for goods from that section, which has sustained the markets for dry goods and general merchandize. Under this improved tone there has been a general increase of business during the latter half of the month, and the Fall trade may be said to be now fairly inaugurated, with the prospect of better results than were at one time anticipated. Buyers, however, are actuated by a spirit of caution consonant with the natural tendency toward a decline in values; and manufacturers would err were they to construe the prevailing tone of business as encouraging a large production of goods. Their true policy is to produce moderately, thereby supporting the value of their products and forcing down the price of the raw materials, the point at which the decline in values should properly commence.

The course of monetary affairs has been toward extreme ease. The Treasury has disbursed nearly 11 millions of interest upon the second series of Seven-thirty notes, and over 60 millions in the payment of the Temporary Loan, of which about 34 millions has been paid out in this city. This has prevented the usual tendency toward a stringent money market at the close of August, arising from the Western demand for currency for moving the grain crops, and at present demand loans average the low rate of 4 per cent. Perhaps at no former period has there been experienced in this city such a superabundance of unemployed funds. This condition of affairs is the more remarkable considering that as bill credits are still on a very contracted scale, there is the more occasion for the use of currency; for it is an accepted rule in monetary science that the curtailment of one form of credit involves a more extensive resort to some other. Below we give the current rates for accommodation each week during the month:

RATES OF LOANS AND DISCOUNTS.

	Aug. 3.	Aug. 10.	Aug. 17.	Aug. 24.	Aug. 31.
Call loans	4 @ 5	4 @ 5	3 @ 4	3 @ 4	3 @ 4
Loans on Bonds and Mortgage	6 @ 7	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos	5½@ –	5½@ –	5½@ –	5½@ –	5½@ –
Good endorsed bills, 3 & 4 mos	6 @ 7	6 @ 7	5½@ 6½	5 @ 6½	5½@6½
" " single names	7 @ 8	7 @ 8	6½@ 7½	6½@ 7½	6½@ 7
Lower grades	10 @15	10 @15	10 @15	10 @15	10 @15

This extreme ease in the money market market has been coincident with a relaxation of the protracted severe stringency at London, and the results flowing therefrom have been important in their bearing upon such securities as are common to both centres. On the 16th the Bank of England reduced its rate of discount to 8 per cent., and later to 6 per cent. The immediate result was to encourage transactions in American securities; and Five-twenty bonds, which, on the 1st, were quoted 68, were yesterday 73¼; while Illinois Central shares rose 5¼, and Erie common stock 5¼. This advance has been accompanied by an unusually large shipment of bonds to London and the Continental cities, some important amounts having been, for the first time, sent to Paris, with a view to their being introduced upon the Bourse. There can be little doubt that the amount of Five-twenties sent to Europe during August exceeds the total returned here in connection with hostilities in Germany. The supply of the bonds of 1862 has been so heavily drawn down, and the price has consequently advanced so largely, that the issues of 1864 and 1865 have been sent abroad during the past week, though, we believe only for private investment. It is a gratifying evidence of the increasing confidence abroad in the credit of the United States Government that one of the first results of peace in Germany, and of the close of panic in London, should be an enlarged demand for our bonds. The following have been the daily quotations for Consols and American securities on the London Exchange during August:

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON—AUGUST, 1866.

Date.	Cons for mon.	Am. securities U. S. 5-20s	Ill.C. sh's.	Erie shs.	Date.	Cons for mon.	Am. securities U. S. 5-20s	Ill.C. sh's.	Erie sh's.
Wednesday..... 1	88⅛	68⅛	....	....	Saturday 18	88⅛	68	75⅛	42⅜
Thursday 2	88	69⅛	74⅜	43	Sunday..... 19	..	..	....	....
Friday 3	87⅜	69	....	....	Monday..... 20	88⅛	69⅛	75	42⅜
Saturday 4	87⅞	68⅛	74⅛	41⅜	Tuesday..... 21	88⅜	70	76⅛	44⅜
Sunday 5	....	....	....	....	Wednesday 22	88⅜	70	77⅛	45
Monday..... 6	87⅜	68⅛	75	....	Thursday 23	88⅜	70⅛	78	44⅛
Tuesday..... 7	87⅞	68⅜	75⅛	43⅛	Friday 24	88⅜	70⅛	78⅜	44⅜
Wednesday 8	87⅜	68⅛	75	43	Saturday 25	88⅛	70⅛	77⅜	44⅜
Thursday 9	87⅜	68⅜	75⅛	43⅛	Sunday..... 26	...	...	....	....
Friday 10	87⅛	68⅜	75⅛	40⅛	Monday 27	89	72	78⅛	45⅜
Saturday 11	87⅜	68⅛	75⅛	40⅛	Tuesday..... 28	89⅛	72⅛	78⅜	45⅜
Sunday..... 12	....	....	....	....	Wednesday 29	89⅛	72⅛	78⅜	45⅛
Monday..... 13	87⅞	68⅜	76⅛	42⅛	Thursday 30	89⅛	72⅛	79⅛	45⅜
Tuesday..... 14	68	68⅛	75⅜	43⅛	Friday 31	89⅛	73⅛	79⅜	46
Wednesday 15	87⅞	68	75	42⅛					
Thursday 16	87⅛	68	75	42⅜	Highest.....	89⅛	73⅛	79⅜	46
Friday 17	88	68⅛	75	42⅜	Lowest.....	87⅜	68	74⅛	40⅜

The foreign demand for Five-twenties has been accompanied by a large home demand for investment, created by the abundance of idle capital, in which all Government securities have sympathised, producing a general advance in prices. Sixes of 1881 have advanced from 109⅛ to 113⅞; old Five-twenties from 108¼ to 113⅛, Ten-forties from 99 to 103½; and Seven-thirties, 1st series, from 104 to 107⅛. The high premium on gold produced by speculative operations, by preventing the price of gold from following the appreciation in the credit of the Government, has tended to force up the price of national securities. Below we give the sale prices at the New York Stock Exchange of Government securities, represented by the closing sale each day during the month of Aug. 1866:

PRICES OF GOVERNMENT SECURITIES, AUGUST, 1866.

Day of month.	6's, 1881. Coup.	6's, 1881. Reg.	6's, 5-20 yrs. Coup.	6's, 5-20 yrs. Reg.	6's, 10-40 yrs. Coup.	6's, 10-40 yrs. Reg.	7-30's, 1867.	1 y'r certif.
Wednesday 1	109¾	.....	108¾	.....	99	....	104¾	....
Thursday .. 2	109¾	109¾	108¾	.....	99¾	....	104	...
Friday..... 3	109¾	109¾	108¾	.....	99¾	99¾	104¾	....
Saturday... 4	109¾	.....	108¾	105¾	....	....	104¾	....
Sunday..... 5	.....	.....	.....	.....	....	....	.....	....
Monday..... 6	.....	.....	108¾	.....	99¾	....	.....	...
Tuesday ... 7	109¾	.....	109	.....	99¾	....	104¾	....
Wednesday 8	110	.....	109¾	105¾	99¾	....	104¾	....
Thursday .. 9	110¾	110	109¾	106¾	99¾	....	105¼	....
Friday.....10	110¾	.....	109¾	.....	99¾	95¾	105¾	....
Saturday...11	.....	.....	.....	.....	99¾	....	.	....
Sunday.....12	.....	.....	.....	.....	....	....	.....	....
Monday... 13	110¾	.....	109¾	107	99¾	....	105¼	....
Tuesday... 14	110¼	110	109¾	106¾	99¾	....	105¼	....
Wednesday 15	110¾	.....	109¾	107	100¾	....	105¾	....
Thursday .16	111¾	111¾	110¾	.....	103¾	98	106¾	....
Friday.....17	111¾	.....	110¾	108¾	102	....	105¾	....
Saturday.. 18	111¾	111	110¾	.....	102	....	106¾	....
Sunday 19	.....	.....	.....	.....	.....	....	.....	....
Monday .. 20	112	....	110	.....	103¼	....	106¾	....
Tuesday .21	111¾	111¾	110	108¾	102	....	106¾	....
Wednesday 22	.....	.....	110¾	108¼	101¾	98¾	106¼	....
Thursday ..23	.....	.....	110	.....	102	98	106	..
Friday 24	111¼	.....	110¾	.....	102	....	106	....
S turday ...25	111¾	111¾	111¾	108¼	102¼	....	106¼	....
Sunday.....26	.....	.....	.....	.....	.....	....	.....	....
Monday....27	.....	112	113¾	109	103¼	....	107	....
Tuesday... 28	113¼	.....	113¾	.....	103¼	....	107	.. .
Wednesday 29	.....	.....	.....	.....	....	....	.....	....
Thursd 30	.....	....	112¾	.....	103	....	107¼	....
Friday 31	112¾	.....	112	.....	102¾	98¾	107¾	....
Opening.....	109¾	109¾	108¼	105¼	99	95¾	104¾	....
Highest.....	113¼	112	113¾	109	103¼	98¾	10 ¾	....
Lowest.....	109¾	109¾	108¼	105¼	99	95¾	104	....
Closing.....	112¾	112	112	109	102¾	98¾	107¾	....

The following are the closing quotations of the leading stocks on Friday of the last seven weeks:

	July 13.	July 20.	July 27.	Aug. 10.	Aug. 17.	Aug. 24.	Aug. 31
Cumberland Coal.....	....	46	46¾	47¼	47¾	47¾	47¼
Quicksilver	50	....	50¾	49¼	51		49¼
Canton Co.	52¾	53	53¾	52¾	....	....	52¾
Mariposa pref..	23¼	26¾	27¾	....	....	28	....
New York Central.....	104¾	104¾	104¾	106	104¾	104	103¾
Erie	65¾	64¾	68¾	69¾	69¾	73	73¼
Hudson River	116	120	121	121	....	....	....
Reading.....	110¾	111¾	113	113¾	115¾	115¾	118¼
Michigan Southern	83¾	83¾	84¾	86	85¼	85¼	84¾
Michigan Central.....	....	110	110¾	110¾	1 1	114	112
Cleveland and Pittsburg .	84¾	84¼	87¾	87¼	87¾	8 ¾	86¼
Cleveland and Toledo....	110¼	1:2¾	116¾	116¼	116	1 6	115¾
Nor hwestern	85¾	85¾	87¾	86¼	85¼	86¾	85¼
" preferred..	64¾	64¾	67¾	67¼	67¼	68¼	67¾
Rock Island	97¾	99¾	103¾	106¾	107	109¼	108¾
Fort Wayne	99¾	101¼	103¼	105¾	104¾	104¾	104¼
Illinois Ceutral	124¼	xd.120	122¾	122¾	122¾	123¼	123¼

The robbery of Government bonds in this city during the past month has given rise to considerable discussion, and surprise has been expressed that so large a part of our national debt should be in the unsafe form of coupon bonds, liable to be destroyed by fire, lost by accident, or purloined by thieves. We might suppose, at first sight, that the registered bonds being safer, would bring a larger price in the market. But this is not so. However contrary to antecedent probability the reverse is true, as a glance at the Stock Exchange report will show. For the first time in the history of the Government, a singular anomaly has during the last week in August been exhibited, of a difference of four per cent between the quotations for registered United States bonds and coupon bonds of the same issue. Intrinsically, the two species of bonds are of

the same value; for they draw the same rate of interest, mature at the same time, and the coupon bonds may be converted into the registered bonds at the will of the owner, who has only to take the trouble of sending them to Washington for that purpose. There are several points suggested by this anomaly which merit examination.

As to the immediate cause of it there is no doubt at all. The bonds in which it exists are known as the old Five-twenties of 1862, which are so exclusively dealt in in Europe that no other species are good delivery in fulfillments of contracts. The bonds of 1865, which are really more valuable, as they have three years longer to run, are not as yet known in the European market, though an effort is making to get them introduced there. Hence it is that the orders from abroad run exclusively on the old Five twenties, and, of course, registered bonds are useless for exportation, coupon bonds being alone negotiable abroad. Now, it is easy to see that when from any circumstance a very lively foreign demand springs up for our bonds, the coupon old Five-twenties will exclusively be called for, and, the supply in market being limited, their price will go up, while that of the other bonds may be either stationary or will at least be less lively in their upward movement. The old bonds have sold as high as 114 during the recent excitement, while the highest price of the more valuable bonds of 1865 was about 110.

This, however, is not quite the whole of the case. We have explained why the bonds of 1862 sell higher just now than those of 1865; but why should the coupon bonds of 1862 sell higher than the registered? Are not the registered bonds available for export purposes by being sent to Washington to be exchanged for coupon bonds? The answer is that they are not so available. The law allows you to convert your coupon bonds into registered bonds, but it makes no provision for the reverse process of converting registered bonds into coupon. This unnecessary disability is much complained of, and not unjustly. An effort will be made at the next session of Congress to get a new enactment passed removing these incongruities of the existing statutes regulating this important question of the reciprocal conversion of coupon and registered bonds into each other.

There are other reasons for a change in the law besides those we have referred to. And of these, one of the chief is the safe-keeping of bonds. The recent heavy robberies of securities show how necessary it is to prevent the thief from negotiating stolen securities. But this is impossible with the ordinary coupon bonds, which are payable to bearer; for the courts hold that such a bond passes from one holder to another just as freely as a bank note or gold eagle. A *bona fide* purchaser, in good faith and in the ordinary course of business, has a clear title to a bond which may have been formerly stolen, even against the man from whom it was stolen. In the case of a horse, the owner may seize it wherever found, but not so with a bond payable to bearer. This, if lost, is irrecoverable by so summary a process.

The only absolute security for the owner of a coupon bond is to have it exchanged for a registered bond. If he loses it, nobody but himself can draw the interest when due, nobody but himself can claim the principal at maturity. The safety is thus as comple as, in the nature of things, human care and legislative

arrangements can make it. But there is another difficulty. Suppose the owner of a registerd bond wants to convert it back again. He cannot do it, and this very circumstance prevents many persons from converting their coupon bonds, for the latter are more easily bought and sold. If you wish to sell a coupon bond, all you have to do is to deliver it to the buyer, to get your money on the spot, and the transaction is closed. With a registered bond, there is the delay of sending it to Washington for transfer, and, for two months of every year, you cannot even do this, for the books close during the months of April and October, preparatory to the May and November payment of interest, and in the interval you cannot transfer your bonds to a purchaser on the Government books. This difficulty has been met by an assignment in blank, as it is termed, which really takes away for the time being the special security of the registered bond, as a fraudulent holder might avail himself in the blank assignment which you have signed, and might thus be enabled probably to sell the bond. Rather than submit to these inconveniencies, most persons prefer to hold the coupon bonds.

Now it has been suggested that these and other inconveniences attaching to the ownership of registered bonds might be obviated by having the transfer books kept in New York. Nine-tenths of the business in Government securities is done in this city, and it is obviously for the convenience of the people, for the interest of bond-holders, and, therefore, for the interest of the Government, that the transfers should be made here, instead of at a place so far removed as Washington from the great metropolitan centre of trade, finance and commerce. As to the foreign purchaser of United States securieties, we can do nothing to protect him from the losses and incertitude incident to the possession of coupon bonds; but in the case of our own citizens we must, for we can, protect them. And it seems to us that one of the best means of doing this is to induce them to prefer registered to coupon bonds by some such expedient as we have suggested.

The total amount of Government bonds sold at the the Stock Exchange during August amouts to $10 987,850, and of Treasury notes $2,577,000; which, though not varying materially from the transactions in July, is yet very largely in excess of the average monthly transactions.

The course of exchange during the month has tended steadily downward, under the large exports of bonds, which have kept the supply of bills steadily in advance of the demand. The imports for the month have materially exceeded the exports, even including the shipments of securities; from which it is occasionally argued that, the balance of trade being against us, exchange should rule higher. It is, however, overlooked that our exports to Great Britain are usually paid for promptly, while our imports are upon four to eight months' credit. At the close of the month bills on London and Paris range 3@3¼ per cent. below par of exchange. The following table shows the daily fluctuations in bankers bills (long) on London, Paris, Amsterdam, Bremen, Hamburg, and Berlin at New York for August:

COURSE OF FOREIGN EXCHANGE FOR AUGUST.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1	107⅛@108¼	525 @517½	40 @40½	77 @79	36⅛@37	72 @73
2	107⅛@108¼	525 @517½	40 @40½	77 @79	36⅛@37	72 @73
3	107⅛@108	525 @517½	40 @40¼	77 @79	36 @37	71 @72½
4	107⅛@108	525 @517½	40 @40¼	77 @79	36 @37	71 @72½
5						
6	107⅛@108	525 @519¼	40 @40½	77 @78¾	36 @36¼	72 @72½
7	107⅛@108	525 @518¾	40 @40¼	77 @78¾	36 @36¼	72 @72½
8	107⅛@108	525 @518¾	40 @40¼	77 @78¾	36 @36¼	72 @72½
9	107⅛@108	525 @520	40 @41	77 @78¾	36 @36¼	72 @72½
10	107⅛@108	520 @526	40 @40¼	76¾@78¼	35¾@36¼	71½@72½
11	107⅛@108	520 @525	40 @40¼	76¾@78¼	35¾@36¼	71½@72½
12						
13	107⅛@108	520 @522½	40 @40¼	77 @78	35½@36¼	71 @73
14	107⅛@108	520 @521¼	40 @40¼	76¾@78	35½@36¼	71 @72
15	107⅛@108	520 @521¼	40 @40½	76½@78	35½@36¼	71 @72
16	107⅛@108	520 @521¼	40 @40½	76½@78	35½@36¼	71 @72
17	107 @107⅛	525 @522½	39¾@40¼	76¼@78	35 @36	70½@71¼
18	107 @107⅛	525 @522½	39¼@40¼	76¼@78	35 @36	70½@71¼
19						
20	107 @107¼	525 @522½	39¼@40¼	76¼@78	35 @36	70½@71¼
21	107 @107½	520 @525	39¼@40¼	76¼@77½	35 @36	69¾@70¾
22	107 @107½	520 @525	39¼@40¼	76¼@77½	35 @36	69¾@70¾
23	107 @107½	520 @525	39¾@40¼	76¼@77½	35 @36	69¾@70¾
24	106¼@107¼	540 @530	39¼@40¼	76 @77	35 @36	69¼@70¾
25	106¼@107	540 @530	39¼@40	76 @77	35 @35¾	69¼@70¾
26						
27	106¼@107¼	535 @526¾	39¾@40	75 @76¼	35 @36	69¼@70
28	105¾@107	540 @532½	39¼@39¾	75 @76¼	35 @35¾	68¼@70
29	105¾@ 107	540 @532½	39¼@39¾	75 @76¼	35 @35¾	69¼@70
30	105¾@106¼	545 @535	39 @40	75 @76¼	34¼@35¾	68¼@69¾
31	105¼@106	545 @535	39 @40	75 @76¼	34¼@35¼	68 @69
Aug	105¾@108¼	545 @517½	39 @41	75 @79	34¼@37	68 @73
July	107¾@109½	525 @507½	40 @42	77 @79	36 @37½	72 @75¼
June	107¾@110	205 @507½	40 @42¾	77 @80¼	35¾@37¾	73 @75
May	108¾@109¾	520 @510	40½@42¼	78¼@80	36 @37¾	71 @74
Apr	108¾@108¾	537½@517½	39¾@41	76¼@78¼	36 @36¾	69¾@71¾
Mar	108¼@108¾	530@ 518¾	40 @41	77 @78¾	35¾@36¾	70¾@71¾
Feb	107¾@108¾	532½@517½	40¼@41	77 @79	36½@36¾	70¾@71¼
Jan	108 @109¼	523¾@515	40¼@41	78 @79¾	36 @36¾	71 @71¾
8 months	106¾@109¾	545 @507½	39 @42¾	75 @80¼	34¼@37½	68¼@75¼

The gold market has been subject to violent fluctuations, owing to a speculative combination for making gold scarce and forcing up the premium.

The prospect of an importation of gold from abroad and the maturing of interest upon Ten-forty bonds on the 1st of September have induced the clique holders to realise upon their coin, and the market closes easier. The following are the daily quotations for gold for the month of August:

COURSE OF GOLD FOR AUGUST.

Date.	Open'g	High'st.	Lowest.	Closing.	Date.	Open'g	High'st.	Lowest.	Closing.
Wednesday 1	149	149	148¾	148¾	Monday 20	148¼	148¾	148¾	148¾
Thursday 2	148¾	149¼	147¾	148	Tuesday 21	147¾	148¼	147¾	147¾
Friday 3	148¼	148¾	147¾	147¾	Wednesday 22	147¾	149¾	147¾	147¾
Saturday 4	148	148	147	147¼	Thursday 23	150¾	151	149¾	150¾
Sunday 5					Friday 24	150¾	150¾	148	148
Monday 6	147¾	148	147¼	147¾	Saturday 25	147¾	148	147	147
Tuesday 7	147¾	148	147¾	147¾	Sunday 26				
Wednesday 8	148	149	148	148¾	Monday 27	146¾	148¾	146¾	148¾
Thursday 9	148¾	148¾	148¾	148¾	Tuesday 28	148¾	149¾	148¾	148¾
Friday 10	148¾	148¾	148¾	148¾	Wednesday 29	148¾	148¾	148¾	148¾
Saturday 11	148¾	149	148¾	148¾	Thursday 30	148	148¼	147¾	147¾
Sunday 12					Friday 31	147¾	147¾	147¾	147¾
Monday 13	149¼	149¾	149¼	149¾					
Tuesday 14	149¾	150¾	149¼	150¼	August, 1866	149	152¼	146¾	147¾
Wednesday 15	150¾	152	150¾	151¼	" 1865	144¾	145¾	140¾	144¾
Thursday 16	151¼	152¾	151¾	152¼	" 1864	255	261¾	231¾	238
Friday 17	151¾	151¾	150¾	151¼	" 1863	129¾	129¾	122¾	127¾
Saturday 18	151	151	148¾	149¼	" 1862	115¾	116¼	112¾	115¼
Sunday 19					" 1861	100	100	100	100

The Treasure Movement at New York weekly, and the amount in Banks at the close of each week since January 1, has been as follows:

TREASURE MOVEMENT FOR 1866.

1866. week ending	Receipts. from California.	Exports. to foreign countries.	Sub-Treasury Customs receipts.	Sub-Treasury Interest payments.	Sub-Treasury Gold Certificates issued.	Sub-Treasury Gold Certificates returned.	In banks at close of week.
Jan. 6	.....	$552,027	$2,107,341	$3,597,340	$3,122,440	$1,34,8882	$15,778,741
" 13	$685,610	640,503	2,334,694	1,130,789	3,206,180	1,578,194	16,852,568
" 20	799,706	685,894	2,754,369	574,162	2,706,400	1,928,641	15,265,372
" 27	.....	656,812	3,226,040	279,842	2,598,400	2,127,048	13,106,758
Feb. 3	944,878	292,568	3'347,422	115,204	2,081,280	2,221,423	10,937,474
" 10	1,449,074	4'3,409	3,251,734	120.179	1,916,700	2,376,735	10,129,896
" 17	.....	445,489	2,893,008	94,828	2 992,900	2,158,009	10,308,756
" 24	1,209,048	560,196	2,608,796	119,~79	5,893,280	1,995,796	14,213,351
Mar. 3	.....	75,453	3 386,934	1,183,343	3,125,000	2,664,934	17,181,130
" 10	1,469,286	556,384	2,297,836	882,712	2,101,000	1,706,835	16,563 237
" 17	1,435,358	226,671	2,464,482	328,593	1,498,400	1,919,483	15,015,242
" 24	389,837	170,297	2,509,419	174,911	361,280	1,886,419	13,945,651
" 31	673,615	3,500	2,451,345	225,414	1,376,000	1,845,334	11,930,722
Apr. 7	.....	216,842	2,~63 010	63.140	3. 16,840	2,120,100	11.436,295
" 14	729,862	122,628	2,857,704	49,800	5,038,460	2,274,704	11,035,128
" 21	809,459	117,312	2.535,568	35,189	4,~01,000	1,971,568	9,495,463
" 28	.....	78,880	2,346,~07	40,506	4,137,140	1,760,207	8,243,937
May 5	1,318,271	1,947,249	2,711,181	7,061,900	4,653,000	2,227,181	10,914,997
" 12	1,073,830	1,064,496	2.417,391	2,648,000	3,110,000	1,948,391	13.570,402
" 19	.....	8,763,295	2,542.814	1,702,000	2,842.000	2,069,814	13,595,465
" 26	1,276,505	9,421,766	2,358.455	940.100	9,177,000	1,929,454	19,376,920
June2	334,562	6,870,997	2,182.395	70 500	1,327,000	1,911,395	28. 58,093
" 9	949,906	4,220,756	2,141,086	283,800	2.6 6.000	1,868,0~7	15 821,663
" 16	.....	6,055,743	2,071.821	67,000	3,719,000	1,788,621	11,217,305
" 23	892,365	1.408,286	2,309,676	106,134	2,793.000	1,809,676	8,504,096
" 30	.....	5'0 574	2,002,265	298.748	3,232,000	2,309'261	7,797,218
July 7	1,617,899	1,630,730	2,47 ,626	3,964,634	4,174,000	2,081,626	9.865,266
" 14	1.429,833	2,23',270	2,486,296	1,267,600	3,614,400	2,182,226	12,451,684
" 21	2,051,~56	416,013	2,480,149	324,100	2,452.000	2,187,149	10,860,140
" 28	.....	1,515,446	2,926.884	277.044	2,120,000	2,54 ,884	9,70 ,547
Aug. 4	1,'55,481	530,174	2,794,658	1 5.500	1.8~9,000	2, 00,654	9.448,900
" 11	.....	152.37'	2,676,332	61,400	970,000	2,328.331	8,424,290
" 18	.....	117,990	2,461,877	50,900	2,064,000	2,145.876	7,545,514
" 25	3,091,601	787,312	3,069,893	6 ,987	2,188,000	2,545,~93	6,884,~77
Since Jan 1	$26,266,616	52,882,448	89,040,608	29,136,479	10~,327,140	79,221,868	$.....

The following table, compiled from the records for the past eight months of the current year, and for the same months of the previous seven years, shows the general results of the import and export of treasure at this port:

Months, &c.	New Supply. California.	New Supply. Foreign.	New Supply. Total.	Exports to for. ports.	Excess of Supply.	Excess of Export.
January	$1,485,316	$72,771	$1,558,087	$2,706,336	$.....	$1,148,949
February	3,603,000	172,122	3,775,142	1,807,030	1,968,092	.....
March	3,958 290	285.854	4,244,145	1,045,039	3,199,105	.....
April	1,539,321	161,817	1.701,138	588,875	1,112,263	.....
May	3,992,148	393,073	4.385,221	23,744,194	.....	19,358,973
June	1,842,271	94,549	1,936,820	15,890,956	.....	13,954,136
July	6,754,669	123,592	6,878,261	5,801,459	1,076,802	.....
August	4,427,659	161,319	4,588.978	1,587,851	3,001,127	.....
Jan. Aug, '66	$27,602,674	$1,465,097	$29,~67,771	$53,171,740	$.....	$24,108,979
do do '65	11.711,304	1,501,235	13,212,539	20,175,143	.....	6,962,604
do do '64	7,775,871	1,800,924	9,576,295	32,100,464	.....	22,524,169
do do '63	8,854.053	1,149,890	10.003.943	29,366,111	.....	19,362,168
do do '62	16,013,733	823,259	16,836,992	39,748,220	.....	22,911,228
do do '61	25,431,160	33,955,718	59,376,878	3,264.058	56,112,820	.....
do do '60	22,601,043	896,932	23,497,975	35,~97.641	.....	12 199,666
do do '59	25,181,345	1,649,501	26,780,846	47,658,179	.....	20,877,333

The receipts of gold from California for the month amount to $4,427.659, and from foreign ports to $161,316, making a total new supply of $4,588.978 against a foreign export of $1,587,851; so that there has been a gain at this port of $3,001,127 for the month. According to cable advices, there is now in transit about $1,500,000 of gold from London for New York, indicating a course of exchanges which may add materially to the supply of coin upon the market.

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

New York City Bank returns—Returns of the Boston and Philadelphia Banks.

We give below the bank returns of the three cities. It will be seen that the specie in New York is at a lower point than ever before:

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
Jan. 6, 1866...	$233,185,059	$15,778,741	$18,588,428	$195,482,254	$71,617,487	$570,617,033
" 13.....	234,938,198	16,852,568	19,162,917	197,766,999	73,019,957	608,092,897
" 20.....	239,337,726	15,365,327	20,475,707	198,816,248	72,799,892	538,949,311
" 27.....	240,407,836	13,106,759	20,965,883	195 012,454	70,319,146	516,323,672
Feb. 3.....	242,510,383	10,937,474	21,494,234	191,011,695	68,796,250	506,569,123
" 10.....	242,608,872	10,129,806	22.240,469	188,701,463	68,436,013	493,431,033
" 17.....	243,068,252	10,308,758	22.983,274	189,777,290	64,802,980	471,886,751
" 24.....	239,776,206	14,213,351	22.959,918	183,241,404	61,602,726	497,150,087
Mar. 3.....	235,339,412	17,181,130	22.994,086	181,444,378	58,760,145	526,539,959
" 10.....	233,068,274	16,563,237	23.033,237	180,515,881	64,341,802	594,204,912
" 17.....	233,517,378	15,015 242	23.303,067	185,438,707	68,402,764	579,216,509
" 24.....	234,500,518	13,945,651	23.243,406	185,868,245	69,496,033	593,448,864
" 31	237,316,099	11,930,392	23.736,534	188,554,592	72,158,099	529,240,640
Apr. 7	242.643.758	11,486,245	24,127,031	189,094.961	71.445.0 5	602,315,748
" 14.....	244,009,839	11,085,129	24,533,981	193,153,469	73,910,370	578,587,853
" 21.....	242 067.063	9,495,463	24.045.857	196,808,578	77,6 2,688	535.834,778
" 28.	24'.017,692	8,243,937	25,377,280	202,718,574	80,589,022	545,329,668
May 5.....	2 3,974,134	10 914,997	25,415,677	210,373,303	81,2 4,447	603,556,177
" 12	257,621,317	13.970,402	24,693.259	217,552.853	85.040,659	523.093,538
" 19	255,690,403	13,595,465	25,189,864	217,427.729	85,710,107	579.342,488
" 26.....	257,9.9,598	19,736,929	26,223,867	208,977,905	73,829,947	713,575,444
June 2...	250,959,022	21,858,093	26,244,255	198,12 .289	69,188, 92	713,575,444
" 9..... .	249,538,959	15,821,663	25,967,253	202,503,949	74,628,674	623,656,881
" 16.... ...	247,301,547	11,217,375	25,887,876	202,415,673	79,179,304	618,698,301
" 23.....	248,436,808	8,504,096	26,585,394	201,969,288	80,840,578	696,447,630
" 30..	250,884,168	7,797,213	26,706,622	204,357,272	81,882.640	568,842,490
July 7.....	257,534,883	9,865,266	27,296,530	205,799,611	79,541,688	511,182,914
" 14..	259,133,434	12,451.684	27,804,172	207,160,043	75.541,977	637,635,787
" 21.....	255.965.018	10.860.147	27,579,020	213,049,079	80,524,992	598.705,726
" 28.....	256.612,071	9,701,046	27.249,813	214,582,926	84,705,814	430.324,808
Aug. 4.....	256.808, 17	9,448,900	27,311,549	214,156,705	86,235,079	521,2 6,814
" 11.....	258,263,063	8,494,209	27,528 522	214,232,263	86,861,834	494,810,975
" 18.....	261,951.924	7,545,513	27,796,904	214,310,576	84,800,071	5'4,635,346
" 25.....	265,901,065	6,884,077	27,958,464	218,119,450	86,283,483	617,950,350

The returns of the Philadelphia Banks have been as follows:

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
Jan. 2, 1866.....	$17,181,229	$45,941,001	$890,823	$7,326,369	$35,342,306
" 8.....	17,236,330	46,774,150	983,685	7,319,528	36,618,004
" 15.....	17,267,412	47,350,428	1,007,186	7,357,972	36,947,709
" 22.....	17,052.559	47,254,622	1,012,980	7,411,337	36,214,653
" 29.....	16,241.277	47,607,558	1,008,825	7,432,534	35,460,881
Feb. 3.....	16,481,015	47,233,661	1,000,689	7,668,365	34,681,136
" 10.....	16,852,737	47,249,383	996,313	7,819,599	34,464,070
" 17.....	16,777,175	46,941,337	953,207	7,843,002	33,926,543
" 24.....	17,282,602	46,865,542	1,026,408	7,732,070	33,054,253
Mar. 3.....	17,447.635	46,604,752	1,041,392	8,101,049	32,835,094
" 10.....	17,392,534	46,546,878	1,055,694	8,248,100	32,504,508
" 17	16.375,608	46,690,788	1,026,068	8,438,184	32,102,427
" 24.....	15,969,814	46,642.150	981,932	8,580,200	32,144,250
" 31	15,954,832	46,043,488	990,630	8,666,230	32,257,653
April 7	16,692,233	46,028,641	946,282	8,730,279	32,702,280
" 14	18,323.759	45,114,699	949,116	8,743,396	34,640,861
" 21	18,660,513	45,762,733	936,876	8,761,213	35,448,953
" 28	18,949,719	46,382,734	890,241	8,779,166	36,032,863
May 5	19,144,660	48,006,654	912,023	8,794,348	36,987,007
" 12	19,646,283	48,236,256	896,741	8,930,420	38,414,583
" 19	19.618,232	48,336,567	897,913	8,918,938	37,226,645
" 26	19,715,093	48,036,984	867,094	8,988,742	37,078,413
June 2	21,154 909	47,561,996	890,121	9,022,553	38,189,566
" 9	21,588,085	48,118,897	859,633	9,007,515	38,326,934
" 16	20,568,591	48,616,145	897,381	9,219,553	36,972,476
" 23	21,105.816	48,166,814	899,999	9,290,094	36,715,306
" 30	21,455,836	48,266,904	863,454	9,325,475	37,242,979

July 7	20,546,695	48,892,594	866,961	9,431,664	38,275,768
" 14	21,311,668	49,493,405	852,783	9,442,146	37,707,997
" 21	21,312,505	49,009,316	849,770	9,427,364	37,575,560
" 28	20,942,874	48,935,067	836,096	9,382,473	37,270,845
Aug. 4	20,793,926	49,632,529	835,918	9,516,794	37,344,034
" 11	20,060,536	49,164,321	835,158	9,543,473	36,639,226
" 18	19,865,685	48,530,454	811,280	9,566,788	36,942,311
" 25	20,412,223	48,591,763	807,071	9,575,534	36,095,288

The returns of the Boston Banks are as follows:

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, $41,900,000.)

	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation—National.	Circulation—State.
January 1	$91,421,477	$801,415	$19,867,300	$38,451,794	$21,497,854	$1,404,721
" 8	92,345,129	1,031,227	19,914,065	41,718,182	21,806,180	1,328,782
" 15	92,959,364	1,029,105	20,438,014	40,939,870	21,946,595	1,273,948
" 22	92,665,111	1,040,114	20,750,696	40,300,639	22,034,642	1,215,675
" 29	92,877,783	1,006,018	20,544,830	39,153,816	21,899,318	1,157,845
February 5	94,578,358	805,287	20,568,185	40,436,163	22,225,428	1,125,726
" 12	94,063,897	632,591	20,412,569	38,768,019	22,348,638	1,067,323
" 19	95,250,429	508,428	20,418,909	38,494,696	22,302,581	1,033,391
" 26	93,539,000	521,292	20,262,177	36,398,481	22,287,971	1,043,022
March 5	92,990,512	556,856	20,034,968	35,581,876	22,606,835	1,006,719
" 12	90,705,159	623,988	19,905,120	35,297,498	22,730,329	721,609
" 19	91,902,811	606,992	20,470,018	36,696,321	24,018,916	910,746
" 26	91,931,236	513,153	20,913,521	35,887,388	23,019,897	901,630
April 2	92,351,979	532,556	20,761,014	36,697,227	23,067,693	869,399
" 9	92,142,975	487,455	20,334,570	37,436,560	23,266,642	880,089
" 16	91,250,882	457,648	19,902,647	37,606,696	23,635,043	777,196
" 23	90,120,897	411,693	19,309,145	36,946,182	23,469,488	744,041
" 30	86,723,001	401,118	19,549,614	38,396,210	22,856,656	744,425
May 7	90,369,569	576,120	21,415,716	41,205,276	23,516,330	719,686
" 14	90,328,554	501,018	22,462,522	42,021,976	23,551,579	695,537
" 21	89,634,864	472,172	23,973,509	41,611,149	23,195,968	661,619
" 28	91,333,402	436,391	25,658,956	41,631,746	23,722,277	644,653
June 4	92,287,648	503,991	26,148,678	42,992,749	23,679,055	609,371
" 11	89,878,993	374,966	25,470,926	42,858,986	23,916,559	489,594
" 18*	87,568,583	371,596	24,426,749	41,992,890	21,845,977	544,941
" 25	94,336,170	323,535	25,019,436	42,597,020	23,633,008	507,871
July 16	96,047,000	453,600	21,610,000	40,407,000	24,145,000	413,000
" 23	95,995,866	441,689	22,786,788	40,935,853	24,057,765	401,544
" 30†	95,002,698	363,776	22,342,559	39,770,363	23,804,526	355,864
August 6	96,672,749	318,779	22,432,317	40,549,379	24,116,795	380,960
" 13	95,771,749	295,241	21,101,481	39,192,690	24,104,927	302,734
" 20	94,915,075	333,670	20,817,159	38,619,847	24,290,816	268,166
" 27	94,819,253	332,063	21,688,693	39,028,518	24,262,617	263,405

* No returns from National Bank of Redemption. † No returns from the Traders' Bank.

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurers' returns in the Treasury Department, on the 1st of June, the 1st of August and the 1st of September, 1866, comparatively:

DEBT BEARING COIN INTEREST.

	June 1.	Aug. 1.	Sept. 1.
5 per cent. bonds	$198,941,100	$198,941,100	$198,091,350
6 " " of 1867 and 1868	18,323,502	18,323,502	18,323,502
6 " " of 1881	283,745,500	283,734,100	283,734,800
6 " " 5.20's	695,515,000	742,329,650	773,423,800
Navy Pension Fund	....	.....	11,750,000
	$1,195,525,102	$1,243,628,442	$1,286,323,542

DEBT BEARING CURRENCY INTEREST.

6 per cent. bonds	$5,402,000	$6,042,000	$8,202,000
Temporary Loan	124,561,436	118,665,470	45,588,000
Certificates of Indebtedness	43,095,000	....	.....
3-year Compound Interest Notes	162,012,140	156,012,140	155,512,140
3-year 7.30 notes	812,221,600	796,949,350	769,518,900
	$1,147,292,226	$1,079,668,960	$978,771,040

DEBT ON WHICH INTEREST HAS CEASED.

Various bonds and notes	$4,900,430	$4,679,160	$19,653,444

DEBT BEARING NO INTEREST.

United States Notes	$402,123,318	$400,361,738	$399,603,592
Fractional currency	27,394,965	26,684,139	26,483,998
Gold certificates of deposit	22,563,320	16,403,180	15,480,220
	$452,081,603	$443,449,047	$441,567,810
Aggregate debt	$2,799,979,451	$2,770,416,609	$2,728,814,896
Coin and Currency in Treasury	129,691,083	137,317,333	133,631,668
Debt, less coin and currency	$2,670,288,368	$2,633,099,276	$2,595,183,168

The following statement shows the amount of coin and currency separately at the dates in foregoing table:

	June 1.	Aug. 1.	Sept. 1.
Gold Coin	$50,679,956	$61,223,127	$76,233,918
Currency	79,011,135	75,995,206	56 297,750
Total gold coin and currency	$129,691,083	$137,317,333	$133,631,668

THE MEXICAN FINANCES.

The London *News* gives the following exhibit of the finances of the Mexican Empire. The political, military, and financial condition of Mexico has been sketched with a masterly hand by the present French Minister of Foreign Affairs in more than one dispatch since the beginning of the year, and the facts constitute a full justification of the resolution announced by the French Government to withdraw from its intervention in Mexico. But there are certain results of that intervention which will remain after the final settlement of accounts between the two Emperors, and which greatly concern the British creditor. At the beginning of the year Mr. Middleton, Secretary of the British Legation in Mexico, sent home an approximate estimate of the amount of the revenue and expenditure of the Mexican Empire to be calculated on for the year 1866. We reprint it:

REVENUE.

Maritime Custom Houses	$12,500,000
Internal Custom-houses	5,200,000
Direct taxes upon property in town and country	1,200,000
Direct taxes upon commercial and industrial establishments	250,000
Mining duties	650,000
Stamped paper, Post-office and other miscellaneous taxes	1,000,000
Total	$20,800 000

EXPENDITURE.

Imperial House	$1,740,000
Ministry of the Imperial House	80,000
" " State	340,000
" " Foreign Affairs	290,000
" " the Interior	3,700,000
" " Justice	900,000
" " Public Instruction	488,000
" " War	12,970,000
" " Public Works	1,636,000
" " Finance	3,400,000
Total	$25,494,000

Mr. Middleton suggests that the customs revenue may produce a million dollars more than the amount stated above; but, when he expressed that opinion, he did not know that the French occupation, which had given such an impulse to consumption and importation, was about to cease. On the other hand, he points out that the cost of the French contingent is not included in the estimate. He observes, moreover, that "owing to the little progress being made in the pacification of the country," the amount set down for military expenditure will not

prove sufficient. The charges of the public debt remain to be added. They are as follows:

PUBLIC DEBT.

Interest and sinking fund on British Convention	$750,000	
Interest and sinking fund on Padre Moran Convention	150,000	
Interest and sinking fund on Spanish Convention	450,000	
Interest and sinking fund on the Internal Debt	1,900,000	
The Government estimate of Interest payable on the Mexican Stocks in London, including the Deferred Bonds, and on the amounts of the Miramar and Paris Loans, is calculated at	10,280,000—	$12,830,000
Unpaid balances on Laguna, Seca and Guadalajara Conductas, estimated at		150,000
Sundry Recognized Claims		265,000
Subvention to Vera Cruz Railway		1,350,000
Total		$14,595,000

The general result is thus stated by Mr. Middleton:

Total Revenue		$20,800,000
Imperial House and the different Departments of State	25,434,000	
Interest on Public Debt	14,595,000—	40,029,000
Total deficit		$19,229,000

Here, then, we find the Mexican Government, in the third year of the French expedition, with an annual deficit nearly equal in amount to the gross revenue. But this is not all. Since Mr. Middleton wrote, the French Government has come to an agreement with that of the Emperor Maximilian, under which the debt owing to France for the expenses incurred in setting up the Emperor Maximilian's throne is taken at ten millions sterling, upon which sum interest is to be paid at the rate of three per cent. So, then, it comes to this, that the French intervention which was to have regenerated Mexico, but which, in fact, has merely intensified all the evils previously existing there, has saddled Mexico with an additional annual burden of two millions and a half sterling—a souvenir of the French occupation which the Mexicans will doubtless be careful to preserve.

THE RICE CROP FOR 1866.

The Charleston *Daily News*, in an article on the growth of rice in South Carolina, gives the following estimate of the yield this year in South Carolina and Georgia. The figures for South Carolina are "prepared after making careful inquiries in the different districts, while those for Georgia are estimated simply:

ESTIMATE OF THE RICE CROP IN SOUTH CAROLINA AND GEORGIA FOR 1866.

	Clean rice.
Waccamaw, Pee Dee and Santee districts...tierces	12,000
Cooper River district	3,000
Pon Pon, Ashepoo, Combahee, and vicinity	5,000
Savannah Back River, amount to come to Charleston	5,000
Crop of Georgia	8,000
Total...tierces	33,000

There is, perhaps, a limited amount planted on the Cape Fear River. North Carolina, and some inland rice produced in the interior; the latter will, to a certain extent, if the price keeps up, be brought to this market by railroad, but the above estimate will not be much changed by these elements. The dangers now are an equinoctial gale, and bad work during harvest. To show our readers the complete prostration of this branch of agriculture by the war, we give the receipts at this point during the years '59 and '60, and '60 and 61, and the same for '65 and '66, and conjecturally for '66 and '67:

Receipts at Charleston from the Sep. 1, 1859, to 31st Aug., 1860...tierces	154,970
Receipts from Sep. 1, 1860, to August 31, 1861	126,209
Receipts from September 1, 1865, to August 31, 1866	4,025
Estimated for 1866 and 1867	25,000

SHARK FISHING IN NORWAY.

Among the official reports lately published in England occurs a brief account of the shark fishery as at present carried on by the Norwegian fishermen along the coast. This fishery has not attracted the attention in the southern part of the country which it deserves, not from the scarcity of fish, but the deficiency of appliances and absence of that experience which is considered necessary to success. A prevailing opinion, however, exists that, if properly prosecuted, it would become equally as lucrative in the south as it has proved to be in the north. The vessels employed in it generally range from 25 to 35 tons, manned with a crew of six men. They lie at anchor on the banks, with 150 to 200 fathoms water, by a grappling weight about 2 cwt, with a warp about 300 fathoms in length, and about four to five inches in circumference. A box perforated with holes, or a canvas bag containing the residuum or refuse blubber, after the oil has been extracted by boiling, is attached to the line not far from the bottom, near the grappling; globules of oil are found to ooze out, or to percolate through the holes, or bag and to float away in the continuous stream, serving as a decoy, in a similar manner as the cod-roes are applied in France, where they are thrown into the sea as ground bait to attract the sardines. Led by this stream, the sharks are guided to the main bait, which is attached to a thin iron chain, of from one to two fathoms in length. This is fastened to a line of about the thickness of the stem of a common tobacco pipe. At the end af the chain the hook is fastened, which is usually of the size of a salmon gaff, and is baited with some kind of fish, or, what is preferable, about a pound of seal blubber. On hooking the shark, he is hauled to the surface ef the water by the aid of a single purchase. Each vessel is furnished with four of these, two on each side. The line, being small, is only calculated to bring the fish to the level of the water; his nose is then hauled a little above the surface, and a smart blow is immediately struck, by which he becomes stunned. A large hook at the end of a pole, attached to a strong tackle, is then driven into the fish, and by this means he is hoisted on deck. The belly is cut open, and the liver taken out, a hole is made in the stomach for the purpose of inflating it with wind, which done, the hole is again tied up, and the fish got into the water, and permitted to float away. The length of the fish varies from ten to eighteen feet. The value depends upon the size, quantity, and quality of the livers, which yield from one-half to two barrels, or from fifteen to sixty gallons of fine oil each.

The result of a fishery carried on in open boats depends greatly on the wind and weather. When a boat's crew obtain from two to four barrels of liver they are satisfied. Under favorable circumstances, however, they obtain from seven to eight; and if, during the course of the winter, they can get from forty to fifty barrels, the catch is considered a good one. Besides the liver, when the fish can be towed to the shore, the flesh is converted into food for the cattle, when a scarcity of dried fish heads, which are prepared for that purpose, arises. It is occasionally used also as human food, but then as "rakling," which is prepared by being cut up into long strips and wind-dried in the open air, or buried in the ground until partially decomposed, when it is taken up and prepared in a peculiar manner, so as to become edible and fit for human food. It requires, however, (says Mr. Cowe) an Arctic stomach to digest it.

SUBMARINE CABLES OF THE WORLD.

The following is a complete list of submarine cables now in successful working order, the insulated wires for which were manufactured by the Gutta-Percha Company of London.

It will be seen that they are fifty-four in number, and they are in constant use.

We give the date of the laying of the cables, the length of each of the insulated wires, in British statute miles, and the names of the points between which they are laid.

Date.	Route from	Cab.	Insul wire.
1851	Dover to Calias	27	108
1853	Denmark across the Belt	18	54
1853	Dover to Ostend	80½	483
1853	Frith of Forth	6	34
1853	Portpatrick to Donaghadee	25	1 0
1853	Across River Tay	2	8
1854	Portpatrick to Whitehead	27	162
1854	Sweden to Denmark	13	36
1854	Italy to Corsica	110	660
1854	Corsica to Sardinia	10	60
1855	Egypt	10	40
1855	Italy to Sicily	5	15
1856	Strait of Canso to Cape Breton, N. S.	1½	4½
1857	Norway across Fiords	49	49
1857	Across mouths of Danube	3	3
1857	Ceylon to maiuland of India	30	30
1858	Italy to Sicily	8	8
1858	England to Holland	140	560
1858	England to Hanover	280	560
1858	Norway across Fiords	16	16
1858	S. Australia to King's Island	140	140
1858	Ceylon to India	30	30
1859	Alexandria	2	8
1859	England to Denmark	368	1,104
1859	Sweden to Gothland	64	64
1859	Folkstone to Boulogne	24	144
1859	Across rivers in India	10	10
1859	Malta to Sicily	60	60
1859	England to Isle of Man	36	36
1859	Suez to Jubal Island	220	220
1858	Jersey to Poroir, France	21	21
1859	Tasmania to Bass Straits	240	240
1860	Denmark to Great Belt	28	126
1860	Dacca to Pegu	116	116
1860	Barcelona to Mahon	180	180
1860	Minorca to Majorca	35	70
1860	Iviza to Majorca	74	148
1860	St. Antonio to Iviza	76	152
1861	N'way across Fiords	16	16
1861	Toulon to Corsica	195	195
1861	Holyhead to Howth, Ireland	64	64
1861	Malta to Alexandria	1,535	1,535
1861	N. Haven to Dieppe	80	330
1862	Pembroke to Wexford	63	252
1862	Firth of Forth	6	24
1862	England to Holland	130	530
1862	Across River Tay	2	8
1863	Sardinia to Sicily	243	243
1864	Persian Gulf	1,450	1,450
1864	Otranto to Avlona	60	60
1865	La Calle to Baserte	97½	97½
1865	Sweden to Prussia	55	166
1865	Biserte to Marsala	164½	164½
1865	Corsica to Tuscany	66	66
	Total	6,811	11,090½
	Total number of cables		54

PETROLEUM FROM PITTSBURG.

The following statistics show the movement of petroleum from Pittsburg. The opening of competing avenues to the oil regions has deprived Pittsburg of some portion of the oil trade, which, at its first discovery, nearly all passed through that city; nevertheless, the statistics possess much interest:

Distribution of Refined Petroleum for 1862-3, 1863-4, *and* 1864-5, *Showing Exports by Corresponding Quarters, for those years, by Railroad alone, to the various States, from Pittsburg.*

	Sept. '62 to Jan. '63.	Sept. '63 to Dec. '63.	Sept. '64 to Dec. '64.	Jan. '63 to Apr. '63.	Dec. '63 to Mar. '64	Dec. '64 to Mar '65.
Pennsylvania.....bbls	22,021	28,997	67,873	27.440	28,361	28,987
New York	44,946	40,864	17.121	31,392	10,634	1,188
Maryland	5,545	2,273	3,918	7,104	7,150	3,125
Massachusetts	4,025	967	3,368	343	5,401	60
Ohio	895	257	1,377	1,455	2,238	1,560
Indiana	685	87	1,074	569	1,878	1,485
Illinois	2,768	625	2,334	3,100	4,762	6,180
To other points	2,606	701	2,126	97	1,830	1,369

	April '63 to July '63.	Mar. '64 to June '64.	Mar. '65. to June '65.	July '63 to Sept. '63.	June '64 to Sept '64.	June '65 to Sept '65
Pennsylvania.....bbls	25,797	59,188	16,805	14,290	62,617	40,717
New York	23.459	15,215	1,068	31,334	15,849	101,276
Maryland	2,631	4,098	4,720	962	518	427
Massachusetts	2,117	2,588	34	1,797	110	36
Ohio	499	2,018	1,133	478	195	834
Indiana	307	2,461	5,433	349	357	117
Illinois	722	5,072	1,827	2,894	2,107	1,166
To other points	897	3,345	976	924	1,091	271

Total Distribution of Refined Petroleum.

	1863-3.	1863-4.	1864-5.
To Eastern markets	246,384	279,004	286,737
To Western markets	17,533	29,183	27,776
Totals	263,917	308,271	314,508

Distribution of Crude Petroleum for 1863-3, 1863-4, 1864-5, *showing exports by corresponding quarters, for those years, by railroad alone, to the various States, from Pittsburg:*

	Sept. '62 to Jan. '63.	Sept. '63 to Dec. '63.	Sept. '64 to Dec. '64.	Jan. 1, '63, to Apr. '63.	Dec. 1, '63, to Mar. '65.	Dec. '64 to Mar. '65
Pennsylvania.....bbls	31,523	24,039	50,276	52,139	9,046	18,904
New York	12,315	7,547	37,195	24,428	14,194	8,500
Maryland	4,707	9,998	17,412	10,895	7,480	11,731
Massachusetts	3,183	3,087	4,990	2,030	4,735	.....
Ohio	67	965	251	1,210	290	1,193
Indiana	232	784	15	570	11	.....
Illinois	417	890	492	2,693	177	.....
To other points	7	1,479	223	26	364	94

	Apr. '63 to July '63.	Mar. '64 to June '64.	Mar. '65 to June '65.	July '63 to Sept. '63.	June '64 to Sep. '64.	June '65 to Sep. '65
Pennsylvania.....bbls	62,090	38,765	19,458	22,451	34,322	27,790
New York	25,261	33,477	6,900	3,143	719	1,480
Maryland	6,347	12,366	7,245	6,815	3,607	2,160
Massachusetts	4,976	5,746	....	726	433	36
Ohio	3,884	924	1,094	476	...	123
Indiana	76	183	....	10	....	....
Illinois	1,477	....	....	792	....	....
To other points	540	34	....	25	18	....

Total Distribution of Crude.

	1863-3.	1863-4.	1864-5.
To Eastern markets	288,059	214,819	166,917
To Western markets	12,418	5,571	2,304
Totals	300,477	220,390	169,221

INTERNAL REVENUE DECISIONS—LICENSES AND SPECIAL TAXES.

The following, issued by the Commissioners of Internal Revenue, explains some of the changes made in the Internal Revenue Law by the last Congress with regard to licenses.

TREASURY DEPARTMENT, OFFICE OF INTERNAL REVENUE,
WASHINGTON, July 31, 1866.

Attention is hereby called to the changes made in the internal revenue laws relating to licenses, by the act of July 13, 1866, which act goes into effect, so far as special taxes provided for in said act are concerned, on the 1st of August, 1866.

Licenses are abolished, and a "special tax" is substituted therefor.

By the provisions of section 80, it becomes the duty of assessors to reassess any person, firm, or company holding license, for any excess of the special tax substituted therefor over the license tax which has been paid, from the 1st day of August, 1866, ratably, up to the 1st day of May, 1867.

Under these provisions, persons having a license as wholesale dealers in liquor, brewers, distillers, and proprietors of gift enterprises, will be liable to reassessment from the 1st day of August, 1866. Every wholesale dealer in liquors, for instance, who has paid out $50 for his license, will be immediately liable to reassessment for the nine months ending May 1, 1867, the amount of reassessment being $37.50.

A special tax is to be assessed from the same date against distillers of burning fluid and camphene, grinders of coffee and spices, and peddlers of liquors. Peddlers travelling by public conveyances are classed as peddlers of the Fourth Class. Persons whose business it is to manufacture cigars, snuff, or tobacco, in any form, should be immediately assessed a special tax as tobacconists; but where such persons now hold license as manufacturers, they will not be subject to the special tax until the expiration of their present licenses as manufacturers, unless they are engaged at the same time in the manufacture of other articles, in such manner as to be liable to special tax, both as manufacturers and tobacconists. But no special tax is imposed upon journeymen employed in cigar manufactory.

Persons now licensed as tobacconists should be assessed a special tax as wholesale dealers when their sales exceed $25,000.

Any person who is engaged in the manufacture or preparation for sale of any articles or compounds, or who puts up for sale in packages, with his name or trade-mark thereon, any articles or compounds, is liable, under the new law, to special tax as a manufacturer.

Producers of ornamental and fruit trees and charcoal, selling the same at wholesale, by them-

selves or authorized agents, at places other than the place of production, are exempt from special tax in respect thereof.

All boats, barges, and flats not used for carrying passengers, not propelled by steam or sails, which are floated or towed by tugboats or horses, and used exclusively for carrying coal, oil, minerals, or agricultural products to market, will be assessable under the new law, with an annual special tax from and after the expiration of the time covered by their present enrolment fees and tonnage duties, in lieu of such fees and duties. Such boats of a capacity exceeding 25 tons, and not exceeding 100 tons, will be subject to a special tax of $5, and when exceeding 100 tons, to a special tax of $10, said tax to be assessed and collected as other special taxes provided for in the act. The above special tax on boats, barges, and flats does not however, affect the liability of the proprietors to special tax as express carriers or agents when doing business as described in paragraph 50 of section 79 of the act of June 30, 1864, as amended in the act of July 13, 1866.

Wholesale dealers are required, as soon as the amount of their sales within the year exceed $50,000, to make monthly return of sales to the assistant assessor, and pay the tax on sales monthly, as other monthly taxes are paid; and in estimating the amount of sales, any sales made by or through another wholesale dealer, need not again be estimated and included as sold by the party for whom the sale was made. Wholesale dealers, now holding license, based on a certain amount of sales, will be liable to make monthly returns of sales as soon as their sales exceed the amount named in the license; wholesale dealers in liquor, as soon as their sales shall reach an amount which is less than the basis of their license by the sum of $37.500.

The bond required of lottery dealers is further conditioned, by the new law, that the dealer will pay the tax imposed by law on the gross receipts of his sales, and the managers of any lottery, now or hereafter existing, can give the bond required.

Cattle brokers should be assessed on the excess of sales over $10,000, in the same manner as of wholesale dealers.

Under the new law, "every person (other than one having paid the special tax as a commercial broker, cattle broker, or wholesale dealer, or retail dealer, or peddler;) whose occupation is to buy or sell agricultural or farm products, and whose annual sales do not exceed $10,000, is to be regarded a produce broker."

The payment of a special tax of a hotel-keeper permits the person so keeping a hotel, &c., to furnish the necessary food for the animals of travellers or sojourners, without the payment of an additional special tax as a livery-stable keeper

Lawyers, who have paid a special tax as such, are exempted under paragraph 25 from paying this special tax as real estate agents.

If the annual receipt of an insurance agent shall not exceed $100, a special tax of $5 only is imposed under the new law; and the paragraph relative to insurance brokers is omitted. No special tax is imposed by the new law for selling tickets or contracts of insurance against injury to persons while traveling.

Apothecaries, who have paid the special tax as such, are not required by the law to pay the tax as retail dealers in liquor, in consequence of selling or of dispensing upon physicians' prescriptions the wines and spirits officinal in the United States or other national pharmacopœias, in quantities not exceeding half a pint of either at one time, nor exceeding in aggregate cost value the sum of $30 per annum.

No special tax is required of a common carrier by the new law, where the gross receipts do not exceed the sum of $1,000 per annum. Draymen and teamsters owning only one dray or team will not be liable to this tax.

By proviso to section 47 of the act of July 13, 1866, brewers are exempted from special tax as wholesale dealers, when selling at wholesale, even at a place other than their breweries, malt liquors manufactured by them.

Manual-labor schools and colleges are exempt from special tax, as manufacturers, where the proceeds of the labor of such institutions are applied exclusively to the support and maintenance of such institutions (section 18).

There is no provision in the new law for refunding license taxes where they exceed the special taxes provided for by said law in respect to the same business.

No person doing a business requiring payment of special tax under the new law should be assessed therefor if he now holds a license covering a business of the same nature, unless the special tax provided for exceeds the license tax, in which case the difference of tax should be assessed immediately.

Receipts for special taxes will be furnished from this office. No more licenses will be furnished. With slight alteration, receipts for special taxes may be used as receipts for license taxes assessed under former laws.

E. A. ROLLINS.

THE BOOK TRADE.

Taxation in the United Kingdom: Its Levy and Expenditure, past and present; being an enquiry into our [British] Financial Policy. By SIR MORTON PETO, BART, New York, D. APPLETON & Co., Publishers.

Sir Morton Peto appears to be a writer of some claim to rank as an expositor of finance. Not only has he aspired to treat learnedly the entire American policy, but, freshly nibbling his pen, he plunges deep into the abstrusenesses of British taxation, as though to bring up pearls of great price from those waters. Being

an admirer of Sir Robert Peel, he cannot extol too highly the transcendent beauties of free trade. It has created a greater demand for manufactured goods, raising the price of labor, and enabling the operatives to procure many articles for consumption which were before inaccessible. This has increased again the volume of imports, and enabled the Government to derive from them a revenue greatly exceeding the amount obtained under the protective system. Thus, in 1841, there were 1,162 articles paying duty at the Custom Houses, and the revenue from them was £21,848,845; whereas, in 1862, when the number had been reduced to 44, the revenue was £24 036.000. The extension of commerce effected by the remission of duties afforded additional employment to the people, and the exports increased from £51,545,616, in 1841, to £135.842.000. in 1860.

"Free Trade" in the British nomenclature evidently signifies the exemption of breadstuffs and necessaries from taxation, and the levying of duties on specific articles of import to such an extent as can be borne without checking their use or leading to contraband trade. The idea of abolishing Custom Houses does not appear to have any connection whatever with "British Free Trade."

But the burden upon the British nation, instead of diminishing with their increased prosperity, has actually increased from £48,000 000, in 1841, to £72,-000 000, and has become also more offensive. The income tax appears to have been the most unacceptable, inflicting trouble, vexation, annoyance, and offering an overwhelming temptation to evasion, falsehood, and even perjury. "In short, it may be said to have injured the moral sense of the people who view offenses against the revenue lightly, and are even disposed to espouse the cause of those who defraud the State."

Meanwhile, there has been no reduction of the national debt. In 1860, there fell in those terminable annuities to which the people had looked as affording opportunity to begin; but they were absorbed in expenditure without effecting any saving to the country, and have only furnished a pretext for the addition of millions to the national debt since 1842. The expenditure has increased from fifty to seventy millions of pounds—$100,000,000 in gold.

This is "a war expenditure" increased for maintaining a war establishment in time of peace. Such being the fact, it would be necessary, in case war should actually occur, to borrow money and impose new burthens on the nation to pay off the interest. But permanent burthens involve taxes which fall on trade and industry, jeopardising the former and fettering the latter. "Up to a certain point such taxes may be borne, but they may go too far, as the case of Holland has exemplified."

To make a revenue which shall be sufficient for the wants of a nation there must be, first: measures which can effect such an improvement in the condition of the people as will enable them to increase their consumption of taxed commodities; second, such improvements in taxation as to lighten its burthen on the people; and third, retrenchment of expenditures. Accordingly, Sir Morton proceeds in due order to analyse the several modes of taxation employed in Great Britain, and their specific operation. Beginning with customs' duties, he shows by the example of tea how a rate of duty has been made prejudicial to commerce; and by that of tobacco how the rate of duty is prejudicial to revenue. The cost of tea in China does not exceed seven pence halfpenny a pound. The

British duty is 200 per cent upon the cost and 100 per cent on the average price in London.

In New York, tea costing, after payment of duty, 78 cents a pound in currency, and affording the importer a profit of 12 cents, yields to the broker and retailer the additional sum of 60 cents. So sensitive is this article that diminution of the duty in England in 1746 to one-half, actually tripled the importation; and a further reduction in 1784 doubled it; whereas a slight increase at a subsequent period only led to smuggling and adulteration. The tobacco duty has served to direct the bulk of the trade into the hands of the smugglers. The first cost is about fourpence-halfpenny a pound, and the duty 3s. 1½d.; and five ninths of convictions for smuggling were in the matter of tobacco.

Some years ago a reciprocity treaty was made between Great Britain and France. For a century and a half the protective policy had ruled, to the detriment of revenue, and of manufacturing and commercial policy. Of so little practical use was it, that English watchmakers actually suffered from competition with smuggled watches. When the duties came to be reduced, while imports from France were largely increased, more than three times the former amount of British manufactures found a market annually in that country.

The income tax was imposed in 1842—9*d.* in the pound on incomes of £150 a year, and 6*d.* on those between £150 and £100. Sir Robert had great misgivings about this impost, acknowledging that it was "unpopular," "obnoxious," "inquisitorial," and justifiable only when required by a political necessity of magnitude It has never met expectations, always producing less revenue than had been estimated, or than ought to have been produced. Indeed, it effects a depreciation of property, being in itself a confiscation of property.

The reduction of postage, with all its benefits, has been a serious detriment to the revenue; having fallen from £1,659.510 in 1838 to £500,789 in 1840, and being only £1,525.311 in 1861. Indeed, the net revenue was only £576,030. The expenses of the postoffice department have increased under the new system.

The best efforts of English statesmen have been put forth to relieve trade and industry from the operation of the old excise duties. The result of these duties had been inferiority in articles of manufacture, and consequent loss of markets. The duty on glass was first repealed with striking advantages, as the exhibition at the international exhibitions evinced. The auction duties were next repealed. They had come to produce little revenue from being constantly evaded. Then followed the repeal of the duty on bricks, then on soap, with manifest advantages. The impost on paper, and that on hops have since been taken off, but at a period too recent to state results. Experience has shown that excise duties may be so applied as to be the most baneful and obnoxious of all taxes. The spirit and malt taxes still continue. A tax is also laid on railway passengers, which proves easy to levy—indeed, too easy. Licenses on carriages are still in force. About £1.500,000 is yearly realized from licenses to carry on a trade. The principle is a vicious one.

The assessed taxes are among those most cheerfully paid and most readily collected. The articles assessed are servants, carriages, horses, dogs, horse dealers, hairpowder and armorial bearings. The rates were reduced in 1853, without at all diminishing the aggregate of revenue. The house-tax was substituted in 1857 for the window tax, with marked advantage. The land-tax, first imposed in 1688, at four shillings in the pound, has been continued, under various enactments, till the present time, without material change in the aggregate, although the rate has been only nominal.

The stamp duties were borrowed from Holland; they have also undergone great modifications. At present the sugar duty is the most productive.

The attempt has been made to prohibit the payment of officers from the revenues for collecting them. It has not yet succeeded, as the following table for 1861 shows:

	Gross receipts.	Payment to Exchequer.	Difference.
Customs	£23,057,513	£22,765,338	£292,175
Excise	20,133,9?9	17,266,586	2,867,403
Stamps	8,626,014	8,307,287	318,727
Taxes	3,148,754	2,917,573	231,181
Income tax	11,158,883	9,687,750	1,471,133
Post-offices	8,528,427	6,351,669	2,176,758
Crown lands	417,440	293,479	113,961
Total	£70,671,690	£62,599,682	£8,061,338

Sir Morton devotes the second section of his book to the subject of expenditure. In 1792 the total annual expenditure of the United Kingdom was £19,?59,123, of which £9,767,333 was applied to interest on the national debt, £2,421 641 to redemption of that debt, and £7,670 109 for public expenditure—an amount which was then considered excessive. The war increased it to £61,329 179 in 1801, and it ran up to £106,832,260 in 1814. Since that time the amount has been reduced to £49,169,552 in 1840. It was increased by the Crimean War to £84,505,788 in 1855, and on the restoration of peace it has not been reduced to the old peace-footing by £66,120,092 in 1861. The army in 1862 cost £15,302,870; the navy, £12,608 042 in 1861; miscellaneous expenditures in 1862, £7 848,297; while the interest on the national debt, in consequence of the falling-in of the terminable annuities, fell to £26,000 000. During the last half century, though the nation has wonderfully increased in wealth, there has been no well-directed effort to reduce the debt. Yet a century ago, when the debt was but a tithe of its present amount—£80.000,000—Bolingbroke deprecated its existence as reflecting on the dignity of the nation, and Hume as threatening its very existence. Yet even now Sir Morton is of opinion that it could be reduced, if necessity required Why no reduction has been made, he considers attributable to the following causes:

1 In the fact the levy of taxation, in consequence of the war, had become so burdensome upon the people and so restrictive upon trade as to make it a primary necessity to reduce its amount and improve its character.

2. In the fact that the expenditure of the nation has at no time been reduced within such limits as would leave a fair proportion of revenue applicable to the object.

In future wars, the struggle must be more costly than on any previous occasion. The entire burden cannot be obtained in the form of a levy of taxation, but must be raised by an addition to the debt. That debt, being now £800,000,000, is in the way of success. There must be a limit somewhere to taxation. If a war should be commenced and the present debt run up with rapidity till the taxation necessary to defray the the interest and expenses is a burden upon the trade and industry of the nation, either the country will be obliged to conclude a disadvantageous peace, or the people and nation will be reduced to a state of the most direful distress.

The fact is, that of late years finance has not been treated in Great Britain as "a great policy." Taxation has been levied to suit temporary exigencies; no principle has been applied to its levy or its expenditure, but everything has been adapted to party objects and temporary requirements. Since 1848, Parliament has exercised very little control over the public expenditure. Estimates are submitted by the Government, and the amount demanded is voted in a lump, without apparently the smallest knowledge of the way in which the money is to be applied, as though all that was necessary was to provide the amount. An immense amount of the revenue and expenditure is wasted for want of well-considered plans.

The unavoidable inference from Sir Morton's statements is, that the British nation is hastening to decay; and without a change in its policy, must speedily become incapable of arresting its own destruction. At the same time, the legislators of America, those of Congress and of the several States, will do well to consider whether they are not carrying their taxing power too far for the continuation of the prosperity of our own people. There is a limit, beyond which ruin is inevitable, and, as he suggests, we may be nearer to it than we imagine.

Resources and Prospects of America: Ascertained during a visit to the States in the Autumn of 1865. By Sir MORTON PETO, Bart., M. P. for Bristol. New York: Alexander Strahan & Co., 1866.

Sir Morton Peto declares his object in his work on America to be to afford his British countrymen an opportunity of forming a more correct judgment of the progress, means, and probable future of the great nation on the other side of the Atlantic. He has drawn liberally on the American Census of 1860 for his material; freely criticising and differing from the conclusions there propounded, and loses no opportunity to show that what is required for the fullest development of prosperity this side of the Atlantic is free trade. While the Superintendent of the Census appears to doubt whether the Western States are capable of supplying the steadily increasing home demand for breadstuffs, as well as having a surplus to export, Sir Morton believes that they will always have quite a surplus. He shows this by an argument, based upon the fact, as he states it, that the price in the dearest market must rule in other markets, and hence infers that the European prices will be such as to enable those States to produce wheat at a profit, which the simple demand at home would not afford them. He then argues ingeniously for giving them abundant facility of communication to those markets—the lowest remunerative price for carriage, and the absolute certainty of speedy transportation—which would, he declares, enable them to grow wheat at a profit, and so stimulate production as practically to ensure an unlimited supply. Doubtless the Atlantic and Great Western Railway will, in his estimation, ensure such facility.

Sir Morton next gives a full summary of the products of this country, manufactures, mines, coal, petroleum, &c., after which, he takes up American shipping. He speaks admiringly of the facilities for navigation afforded by our harbors, rivers, and lakes, and then reminds his readers that, during the Napoleonic wars, our tonnage rose to 850,000. "If America had not gone to war with Great Britain in 1812," he says, with secret exultation, "it is probable that she would have retained, to this day, her great ascendency in general commerce. But she lost the great opportunity by inviting war, and has never resumed it. Our navy swept their commerce from the seas; and, two years after the outbreak of this war, the Americans had only 59,700 tons of shipping engaged in foreign trade instead of the 1,100,000 tons employed seven years previously."

Is Sir Morton aware that Americans are vividly awake to the fact that vessels built in British ports with the full knowledge of the Government, if not with its consent, "swept their commerce from the seas within two years after the outbreak of the civil war?" He alludes to the transfers made by American shipowners of their property to avoid captures, with an amusing appearance of unconsciousness; and again takes opportunity to show that our failure to advance

our foreign trade is owing to the restrictions and limitations placed on American shipping.

Nevertheless, Sir Morton is our friend, although he sees with English eyes, and he takes favorable views when he can. He is, evidently, as much gratified with our prosperity as if it was that of his own country. In his review of our commerce, he declares his entire conviction of our certain prosperity. He notes that our trade has been regularly and steadily progressive, and that the nation has uniformly paid its way—the exports in almost every year having exceeded the imports. Even with the increased export of gold, every other native product increased in proportion from year to year. Many unsophisticated persons will be surprised to learn that our imports do not principally consist of articles of luxury. "It cannot be said that articles of luxury enter largely into the count of American importations. Silk dresses and furniture appear to be the two items most largely in demand. But no jewelry is found in the list of imports, and very little plate."

But the export and import trade of the United States is nothing in comparison with her internal trade. The extent of territory implies great diversity of productions, and the the exchange of these makes an inland trade almost as various as that of Great Britain with her colonies. Sir Morton considers that the inland navigation is very inadequate to the wants of the people, and that but for the railroads the producing districts would be at a stand still for want of means of transportation.

A chapter is devoted to trade with the British Provinces. The Commercial Convention at Detroit, which is by us regarded as almost a failure, is his principal reliance in relation to our public sentiment. He reviews the Reciprocity Treaty, taking the same views substantially that have been taken in these columns, and ably controverting the declarations of Mr. Morrill, of Vermont.

Upon the railway system and management, where Sir Morton is at home, his views are entitled to more careful consideration. He criticises very justly the imperfect construction of the roads, the miserable stations, &c., and the fact that the lines were made without regard to any general system of communication for the country. The accommodations do not meet the wants of the nation. He remarks the hostility of the South to railroads While the Northern States are covered with lines, the Southern have only a few main trunk roads, the greatest care having been taken to prevent those lines from communicating with the free States. "It will be necessary to correct all this." From West to East the present facilities are quite insufficient, and no time should be lost in making additional provisions. Railway facilities are the measure of the prosperity of the country. But there must be a large liberal progressive policy. The American public ought never to be satisfied till they are able to calculate on fixed moderate prices for freight, and fixed periods for the delivery. Sir Morton very justly questions the propriety of express companies officered by railway managers, and carrying for high prices, when the profit ought to go to the owners of the lines.

The 7th section is devoted to the South. After contrasting the disproportion to the North, owing to the failure to develop the resources, he gives his opinion that the South will henceforth prosper much better under the system of free labor. The Northern States have declined to hold her as conquered territory, but acknowledge her place in the common nationality; and nothing is wanted but the stimulant of free institutions. "Within five years from the present time the cotton production of America will be doubled, and the consumers of the world will have the article at a less price [?] than they ever had it before." With facilities for bringing to market the breadstuffs of the North, and the restoration and increase of the product of the cotton plant in the South, "not only will America bear with even all the burden of her debt and pay it, but she will immediately commence a career of commercial prosperity unexampled in the experience of nations."

Recent British Philosophy: a Review with Criticisms, including some comments on Mr. Mill's answer to Sir William Hamilton. By DAVID MASSON. New York: D. APPLETON & Company, 1866.

German scholars are said to have a species of mania for translating Faust; American divines seem to be fond of combating "Rationalism;" and English lecturers take every opportunity to write and talk about metaphysics. Yet they are born to waste much of their sweetness on a very desert air, partly from the aridity of their subject, but chiefly because the reader and reviewer must first learn their specific technology before attempting to learn or set forth their ideas. Mr. Masson will hardly escape. His fault, however, consists less in the diction which he uses than in the profusion of words with which he dilutes his thoughts. Yet, those interested in such questions will read him with interest. After a cursory view of the Empirical and Transcendental systems and a notion of the writers who taught them, he devotes the great part of his work to Sir William Hamilton and John Stuart Mill.

Sir William, he declares, was a Theist, a Supernaturalist—no philosopher of modern times more strenuously, more passionately so. He venerated Hume as a good man and a great philosopher, and entertained little respect for the clergy, yet, at the same time, had a special admiration of Calvin, and a profound interest in the old theologians, from Tertullian downward. He held in the existence of Truth beyond what appeared to the senses—phenomenal existence. "The sphere of our belief," said he, "is much more extensive than the sphere of our knowledge; and, therefore, while I deny that the infinite can by us be *known*, I am far from denying that by us it is, must, and ought to be *believed*." Yet, he positively declared that it was impossible to speculate about the Absolute. Sir William holds that the central fact of the phenomenal of dualism or antithesis of two series of phenomena, given immediately in consciousness—the one constituting the ego or mind, and the other, the external world or matter. But here Mr. Mill takes issue. He holds that the radical fact of the phenomenal is not a dualism at all, but simply a stream, a flow, a succession of feelings, sensations, or states of consciousness. All knowledge, all belief, all known existence has been generated out of this succession of sensations, or states of consciousness. Hence, after some further illustrations, Mr. Masson concludes that *Transcendental Natural Realism* in Hamilton, announcing itself as anti-ontological, but with strong theological sympathies, and *Empirical Constructive Idealism* in Mill, also announcing itself as anti-ontological, but consenting to leave the main theological questions open on certain pretty strict conditions, were the two Angels that have for thirty years contended for the soul of Britain.

The remaining three chapters of the book are devoted to further demonstrations of the author's positions, and notices of other metaphysical writers. He, however, does little more than exhibit them; taking no pains to show any inaccuracy or proper conclusions.

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AND

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MINES AND MANUFACTURES IN THE MISSISSIPPI VALLEY.

BY J. A. BLAKE.

A trip through some of the leading mining States of the west for the purpose chiefly of recording developments already made, but secondarily of pointing out new fields of promise, has led us at the termination of our travels to combine in one article a review of mining statistics, and from their connection with and almost absolute control of another branch of industry to point out and urge both the facilities and necessities for manufactures in the Mississippi Valley. If we succeed in showing where the chief workable minerals are, how they may be mined and what the profits shall be, what the natural elements of successful manufacturing are, how widely they exist, and what markets they may control, we shall have accomplished our object. The chief mining States of the Mississippi Valley are Missouri, Illinois and Iowa.

Missouri has a total area of 67,380 square miles, making her nine times as large as Massachusetts and one-third larger than New York. This vast area is divided into 114 organized counties, in 80 of which valuable minerals have already been found for the most part in workable and often in inexhaustible quantities. In the absence of any regular scientific survey we are left in doubt whether there is not even better mining territory in the enormous area yet unexployed. Thirty-one valuable minerals have been found. The enumeration is as follows beginning with the most important and extensive; iron, coal, lead, zinc, copper, platina, kaoline, hydraulic cement, nickel, cobalt, metallic paints, emery, plumbago, silver, gold, salt, sulphur, petroleum, silica, granite, marble, fire-clay, fire rock, chalcedony, agate, jasper, alabaster, pipe-clay, saltpetre, maganese and tin

The iron ore deposits of Missouri comprise the famous Iron Mountain which with a hight of 228 feet and an area at its base of 500 acres it is thought will give for every foot from summit to base an average of 3,000,000 tons of ore; Pilot Knob whose hight is 1,118 feet is known to be solid iron to 440 feet below the surface where the base has an area of over 200 miles; and Shepherd Mountain, 660 feet high, a mass of the purest magnetic and specular iron ore. Iron ore has also been found in 36 counties, comprising Butler, Camden, Carter, Christian, Cooper, Crawford, Dade, Dent, Franklin, Greene, Henry, Hickory, Iron, Jasper, Knox, Lafayette, Madison, Maries, Mercer, Miller, Moniteau, Osage, Perry, Pettis, Phelps, Polk, Pulaski, Reynolds, Ripley, St. Clair, St. Francois, Scott, Shannon, Stoddard, Stone and Webster. It has been chiefly worked in Iron, St. Francois and Reynolds counties where the deposits are the largest and among the purest in the world. These three counties are computed to contain enough iron to afford for 200 years an annual supply of 1,000,000 tons. The ore is mostly specular, yields 56 per cent. of pure iron, the product of which is strong, tough and fibrous.

The coal measures in Missouri have been discovered in upwards of 40 counties, lying chiefly along the Missouri and Osage rivers. The most extensive and valuable deposits are in Andrew, Atchison, Buchanan, Holt, Platte, Charlton, Linn, Livingston and Macon counties, which contain about 3,500 square miles of coal lands which average it is said a mean thickness of 11 feet. Prof. Swallow's computation makes out 38,000,000,000 tons of coal in these nine counties. St. Louis county contains 160 square miles of coal territory. The coal strata in Boone and Cooper counties are very rich and extensive. A prominent writer argues that there is enough coal in the State of Missouri to last 3,000 years of 300 working days each if an average of 100,000 tons were mined per day.

The area of lead bearing rocks in Missouri is said to be over 6,000 square miles. They have been found in 38 counties and in more than 500 different localities. The chief deposits are found in Washington, Madison, Jefferson, St. Francois, Franklin, Crawford, Newton and Jasper counties. It is estimated that the mines in Washington, Madison and Jefferson counties alone have since 1840, yielded 100,000,000 pounds. The mines are generally shallow, varying from 10 to 75 feet. The ore is mostly sulphuret and contains from 60 to 85 per cent. of pure lead. Some specimens from Mine la Motte contained 84.50 per cent pure lead and 13.50 per cent. sulphur, a very fine yield considering that perfectly pure galena contains but 86.66 per cent. of lead and 13.34 of sulphur. A lead mining company in Washington county, operating 100 drills and keeping 10 furnaces in blast were rewarded with a net profit of $369,252 from their last years work.

Copper has been found in 18 counties in Missouri. The best deposits lie along the Meramec Valley in Franklin and Crawford counties, and in Greene County on the unfinished Southwest branch of the Pacific Railroad. The deposits generally lie near the surface, are several feet thick, are in quality sulphuret or carbonate, and yield from 42 to 50 per cent. of pure copper. The Stanton mines in Franklin County have produced ore that by analysis contained 48.41 per cent. of pure copper. A very promising copper region has been traced along the headwaters of Current, Black and St. Francois rivers, chiefly in Shannon, Wayne and Madison counties. The Copper Hill mine has yielded 100,000 pounds.

The specimens of zinc discovered and analyzed in Jackson, Madison and Washington counties, of kaoline in Bollinger and Iron counties; of petroleum in Carroll, Cass, Ray and St. Charles; of nickel in Iron and Madison; of alabaster in Washington and Franklin; of fire-clay in Marion and Bollinger; of saltpetre in Pulaski and Gasconade; of silver and gold in Washington, Madison and Iron; of platina in Iron; cobalt in Washington; pipe-clay in Marion, and emery in Iron counties, warrant the assertion that many if not all of these minerals exist in great purity if not in paying quantities.

Illinois has an area of 55,409 square miles, nearly as large as all New England. She is the richest agricultural State in the Union, and yet one-fifth of her entire area is mineral territory. Coal, lead, gypsum, silver, gold, petroleum, iron, salt, copper, zinc, freestone, lime and silver have been found. We have in a former communication spoken at length of the location, extent and quality of these minerals. It will be sufficient for the purposes of this communication to present a few statistics. The Illinois coal field is estimated by Prof. H. D. Rogers to contain 1,277,500,000,000 tons. The Pennsylvania coal field contains 316,400,000,000 tons. All the coal fields of North America, 4,000,000,000,000 tons. The coal fields of Great Britain contain 190,000,000,000 tons. The Illinois coal measures, then, contain four times as much coal as those of Pennsylvania, nearly one-third as much as all those of North America, and over six times as much as all the coal fields of Great Britain. It will take 100,000 years to exhaust them. The prominent seams are the Belleville and La Salle, occupying the southern and middle parts of the State. Mining is now chiefly carried on in St. Clair, Madison, Randolph and La Salle counties. The present annual product of the entire State is about 1,500,000 tons. St. Louis, Chicago, the markets of the Upper Mississippi, and the home consumption are supplied mainly or in part by Illinois coal. Last year Southern Illinois sent 10,000,000 bushels of coal to St. Louis markets, of which the St. Louis, Alton and Terre Haute carried 6,000,000, and the Ohio and Mississippi road 4,000,000 bushels.

There are three staples in which Illinois is singularly "strong." We mean wheat, coal and lead. If she is not first in the former, she certainly is in the latter For 20 years the entire lead product of the country has come from the famous Galena mines in Jo Davies' County, which, with judicious and regular working, would have been not only amply sufficient to shut off any foreign demand, but even to create a foreign market. A few mines circling Galena have supplied and smelted 15,000,000 pounds a year. The great Galena lead district occupies a portion of three States, extending East and West 87 miles, and North to South 54 miles. This belt includes 62 townships in northwestern Wisconsin, 8 in eastern Iowa, and 10 in northern Illinois. The portion included in Wisconsin and Illinois is directly accessible to Galena, and is called the "Galena Mines." This district has an area of 1,000,000 acres. The ore has been struck in every direction all over this great field. The lead is found in horizontal veins, varying from half an inch to ten inches in thickness. It is sometimes found in solid masses of great weight. The average of pure lead in the ore is about 70 per cent.

Iron has not been extensively worked in Illinois, though it exists in workable quantities It abounds in the northern part of the State. In

Hardin County, on the Ohio, large deposits have been found. Several furnaces are in operation. In Monroe and Randolph there are said to be extensive deposits of iron ore. About four miles north of Jonesboro, in Union County, and two and a half miles west of the Illinois Central Railroad, there is a ridge rising abruptly to the height of 200 feet, called Iron Mountain. The base of the hill, for 50 feet or more, consists of fassile shale intermixed with masses of hematite iron ore.

The best qualities of silex for glass manufacture are found in Alexander and Pulaski counties; salt in Hardin, Saline, Effingham and Pope counties; petroleum in Clark, Livingston and La Salle; copper in Monroe, Fulton, Rock Island and Jo Daviess; crystalized gypsum in St. Clair; quartz crystal in Gallatin; gold in Jo Daviess and Fulton; and Silver in Stevenson county.

Iowa has a total area of 55,045 square miles, nearly the size of Illinois. Her area has not been ascertained. The State has not seen fit to order a geological survey. But from what appears on the the surface of the county merely, is sufficient evidence of very great mineral wealth. Lead, coal, copper, hydraulic limestone, and iron have been found. Her coal field is very extensive throughout the valley of the Des Moines. Lead is abundant in the North east; copper along the river opposite Jo Daviess county, Illinois; and hydraulic limestone in several of the central counties in the valley of the Des Moines.

We wish in the light of facts now presented, to argue the advantages that these rich mineral areas afford for manufactures. Were coal a prime necessity for all classes of manufactures it could not have been more lavishly supplied than in the great coal fields of Southern Illinois which with rail and water facilities the very best, can easily and cheaply supply the upper and lower Mississippi and their tributaries reaching to points central in all the states of the valley. The English processess of coking already being used in this country will make the Illinois coal excellent for all kinds of iron manufacture, and its nearness to the great Iron region of Missouri, Illinois, and Iowa render it easily available, so that no places possible could be better adapted for extensive and economical manufactures than the very mines where these rich metals are found. Is there any reason why capitalists should not swarm to the Iron Mountain regions of Missouri and make every acre a net work of forges, furnaces, rolling mills and rail factories. There is the best iron that manufactures have yet found, except perhaps the Lake Superior, and further developments may bring out still richer deposits. There is your Belleville coal seam, exhaustless, only a few miles away, with railroads stretching from mine to mine. There are the lead, copper and zinc ore very valuable deposits of which are found singularly enough right within the circuit of the Missouri coal measures. Is there not a market for manufactured commodities? The great Mississippi Valley from source to mouth, the valley of the Missouri, the new mining States of the far West and the whole Pacific coast is urging such an enterprise. The great expense of all classes of manufactured goods in the West is caused by the long and difficult transportation from the East. There is no reasons why Missouri should not become as essentially a manufacturing State as Pennsylvania. We mean not merely in the important field of iron, steel, and hardware manufacture, but her valleys abound with streams for water power and

her liabilities with coal for steam power for all possible qualities to any possible extent of any conceivable kind of usual manufacture. St. Louis is the great distributing centre for all the West and South West. Why should she not become the great manufacturing centre too and not be put to the questionable profit of retailing to the markets she controls, Pittsburg and Cincinnati, iron, steel and glass wares made from minerals that she herself furnished? Southern Illinois is taking strikes in cotton and tobacco growing. Should they not form the basis for abundant water and steam manufuctures. Should not the great Galena lead district be a net work of rail lines to the La Salle coal measures, and all her rich acres, be honey-combed with mines circled on every side with smelting furnaces. Has not all this field lines of quick transit for their commodities and marketable demands at home and abroad? Thread the Des Moines river with furnaces, factories, and mills from source to mouth and what the mines do not contribute the wood lands and prairies will, to vast and profitable manufactures. There are coal measures rich and exhaustless traversing Missouri, east and west, extending by double lines from the Breckenridge and Grayson coal measures in Kentucky through all central and southern Illinois and onward through the great valley of the Des Moines. There are vast beds of iron ore, lead, copper, zinc, woodlands of oak, elm and ash and vast prairie lands of the best grain and cereal products. There is fuel enough to convert all these ore deposits into hardware, the forests into wooden ware, and the wheat fields into flour, if there were a hundred mines and a thousand miners for every square mile of coal, a continuity of furnaces and rolling mills along every vein of iron, lead or copper ore, factories and saw mills for every cluster of oaks, ash, and elms, and a flouring mill to every acre of wheat.

THOUGHTS ON THE CURRENCY.

BY JOHN NESMITH.

Assuming, as I think we may, that a paper currency must be used, the question to be settled by Congress is whether we shall continue the use of legal tender notes, or return to the use of bank promises. In the decision of this question, it may be well to compare the advantages and disadvantages of each, rather than to jump to the conclusion that we *must* return to the old system of using bank issues, and that the only thing to be settled is *when* we shall return.

A good currency, to be established by law as a legal tender or measure of value by any country, should be fixed and unvarying, a given amount of it always representing the same quantity of property, the condition of property remaining the same. To secure such a standard, two things seem to be essential:

First.—The amount in use must remain the same at all times; and

Second.—The standard itself should be unchangeable in value.

That the exchangeable value of a currency increases or diminishes in proportion to the amount in use, will not be disputed. It is also equally evident that when an article of merchandise is made the legal measure of value, it will cease to be used as currency whenever its legal value is below its real value as a product of labor; for it will pass out of the

country as undervaluing it. The difficulty arising from the use of any article of commerce as a standard of value, is simply that we give it an arbitrary value without being able to divest it of its real value as a product of labor. This real value is constantly changing, according to the laws of supply and demand, and is therefore continually unsettling and disturbing the movements of the currency. The difficulty arising from this cause when gold is taken as a standard value, is greatly modified by the fact that all American and European countries have given to it nearly the same legal value, thus equalizing its arbitrary price over a large part of the commercial world. This does not, however, relieve it from the embarrassment arising from a constant fluctuation in the quantity circulating in the country adopting it as its standard, but rather increases the demand for it as an article of export, making it the first article used in the settlement of balances, whenever an excess of importations has created a balance against the country.

If we must take an article of merchandise as a standard, gold is undoubtedly the best one we can take. But no legislation can prevent it from being among the first articles taken from the country in payment for importations, and thus disturbing the currency. If we make gold the measure of value, and allow banks to circulate as currency their promises to pay, redeemable in gold, the actual currency of the country will be bank promises; and what gold there is in the country will be in bank vaults, there being in circulation at least four dollars in paper for every dollar in gold held by the banks. In the cities, the proportion of gold will be greater; but in the country the proportion will be much less. In large extents of territory, the banks will not hold one dollar in gold to ten dollars of the bills they will have in circulation. With such a currency, it is easy to imagine what a state of things must exist whenever an unusual shipment of gold takes place. And every old merchant has experienced the unpleasant sensation of having bank accommodations withdrawn when his bills receivable were returned protested.

Here lies the radical difficulty in making an article of merchandise the standard of value. No legislation can prevent it from constantly varying in quantity and value as every product of labor necessarily must. The quantity will be ever changing according as it is produced, imported, exported, or used, thus causing the standard to fluctuate with the ever-changing wants of trade. But the matter is still further aggravated when we take this article of merchandise—an article ever passing from country to country, and whose value is ever changing according to the ratio of supply and demand, and use it as the basis upon which to issue paper money, that shall be redeemable in this same article, of uncertain value, thus quadrupling the fluctuations of the currency.

How much of the present value of gold arises from legislation, making it a legal tender, and how much from its intrinsic worth as a product of labor like copper or iron, it may be difficult to estimate. The principal use of gold being for coinage, and its inferior use for ornament and in the arts, there can be no doubt but that a large part of its present value is derived from laws compelling its receipt at fixed and arbitrary rates. Were all these laws repealed in all the countries where they now exist, gold would, of course, fall to its actual worth as an article of commerce; and its very cheapness might prevent its use by the fashionable world as

an ornament. If we estimate this reduction at seventy-five per cent., and it would probably be more than that, then to this extent is its present exchangeable value as much the creation of law as is that of greenbacks. This increase of value, however, does not change the nature of gold as an article of commerce. It is still subject to the laws of supply and demand.

I think it must be admitted that bank promises to pay in gold never have been and never can be a standard of value that shall be unchangeable, remaining the same in quantity and value at all times. They have changed, and they inevitably must change, both in quantity and value, to an extent largely affecting the price of commodities.

Let us now inquire how the legal tender will bear the test. The amount in circulation will be fixed by law, and kept so fixed by legal provisions easily executed. It may, in this way, be continued for years without change. Such a currency will never be disturbed in the least by an excess of importations, for the legal tender, having no value out of the country, it will never be exported either as currency or merchandise. The importer who takes it in payment for goods must invest it in the purchase of gold, wheat, cotton, or some other production of the country, leaving the currency undisturbed by the operation. Its value can vary from what the law has affixed to it as a legal tender.

It may be urged that the facility for increasing this currency is so great that Congress would continue the issue until too great an inflation of prices resulted. But why should Congress do so? The public certainly do not call for an inflation of prices, but rather for contraction. And this contraction can be made more certainly and regularly by reducing the issue of legal tender notes than by returning to a specie standard and allowing the banks to furnish a paper currency. Governments have in times past issued paper money in excess. They have also reduced the metallic standards by alloys until they have become nearly worthless. The one can be done as easily as the other, and has been done as often. In a country ruled by the people, where the interests of all classes require that prices should be kept steady, and where the men chosen to make the laws have, as a class, a greater interest than any other portion of the community to prevent inflation, there certainly can be no fears from this source worthy of a moment's consideration.

What would be thought of the wisdom of Congress were it to pass a law that no yard sticks should be used but such as were made of gold, or such wooden ones as should be put into use by the banks under the promise to exchange them for gold ones on demand, the banks in the mean time drawing interest on the wooden yard sticks valued as gold. Nor would the wisdom of the measure be enhanced when it appeared that the banks would frequently have to call in a large part of the yard sticks issued by them, because they must sell their golden sticks to pay the deposits of importers, thus deranging the business of the country.

As the circulation of the country now stands, the following plan could be carried into effect by the action of Congress without disturbing the business of the community:

Redeem all legal tender notes bearing interest, and reduce the amount of all others in circulation to four hundred millions.

Limit by act of Congress the circulation to that amount for five years; and authorize the Secretary of the Treasury to keep that amount in circu-

lation by a reissue, or by the purchase and cancellation of United States bonds, paying for them in legal tender notes, whenever the amount in circulation falls below four hundred millions.

If to this amount is added the amount of bills the banks are authorized to issue, we have a possible circulation of seven hundred millions. Under such an arrangement, it is highly probable the bank circulation would soon reach the extent authorized by law, and it would remain steadily at that point, as there would be little inducement to return bank bills, to exchange for legal tenders. Estimating our population at thirty-six millions, the whole circulation of the country, viz.: seven hundred millions, would give an average of $19\frac{1}{2}$ to each inhabitant. If we compare this with the circulation of France and Great Britain, it will be found to be much less than either, while we certainly require as large a circulation as those countries. Henry E. Carey estimates the circulation of France to be nearly $30 per head, and of Great Britain and Ireland, $25.

In discussing the comparative usefulness of bank notes and greenbacks, it should be borne in mind that there is a radical difference between the paper measure of value established by law, by being made a legal tender to pass as currency, and the paper issued by banks and redeemable in the legal measure of value. The former is not, strictly speaking, a credit. The Government establishing it may or may not promise to redeem it in something else. Whether it does or not, its power of payment remains the same; and its power to purchase will depend entirely on the quantity in circulation as currency in the country adopting it, and out of which it will not pass. The certainty that currency of this nature will not pass out of the country establishing it, is an advantage rather than otherwise. It enables the law-making power establishing it to regulate the quantity so as to make the purchasing power always the same.

The issues of banks, on the other hand, passing as currency, are simply credits given to the corporations by holders of the currency; and their value depends upon the ability of the several corporations issuing them to pay the same in the legal measure of value established by law.

We have now three legal measures of value, gold, silver, and legal tender notes, all varying in their exchangeable worth when used in the purchase of merchandise to the extent at this time of thirty per cent. By the operation of the natural laws of trade, all the business of the country is done in the cheapest currency, and the dearer passes from hand to hand, not as currency, but as merchandise. This state of things has lasted so long that the price of labor and of all kinds of property (except so far as it is effected by the unsettled state of legislation on the currency) has become adapted to the cheaper and more plentiful currency. If we return to the use of the dearer by repealing the laws making greenbacks a legal tender, all the property of the country must fall in value to the extent of at least the difference between the respective values of paper and gold. But experience teaches that such a reduction in the value of property is ever accompanied by extensive failures, decrease of importation, a general embarrassment of business, and a stoppage of manufacturing and mining industry, thus largely lessing the revenue, the same cause also greatly reducing the income tax. This state of things is sure to arise, whether the reduction of the currency to a specie basis is made at once or gradually. If it is made gradually, so as to spread the loss on property over

years, embarrassment is experienced during all the time, and no wholesome business can be done until the end is reached. If the reduction is made at once, the crash is greater; but the business of the country sooner resumes a stable condition. Under such a state of things as must exist while returning to low prices, how are our loans to be renewed, or even the expenses of the Government met?

When gold is made the basis of our currency, there is nothing to prevent and everything to induce our powerful foreign rivals to break down our manufacturing and mining industry by flooding our markets with metals, manufactures, railroad stocks, United States bonds, all at the same time, and, with the money thus obtained, drawing suddenly from the banks the gold upon which our paper circulation depends, thus forcing a sudden and unexpected contraction of our bank accomodations, such as we had in 1857; and when the pressure and panic which ever accompany such a state of things, were at their height, quietly investing the funds thus obtained in our productions, stocks, and bonds, at prices much below their intrinsic value, making money by the operation, and crippling our industry at the same time. The profitable operation can be repeated from time to time until our miners and manufacturers are entirely discouraged and broken down. We may rest assured that such an opportunity will not be allowed to pass unimproved by our shrewd, money-loving manufacturing, and commercial rivals.

The annual saving of the country by the adoption of the proposed plan, in place of returning to a specie basis, may be estimated as follows:

The interest on four hundred millions used as currency at six per cent. would be twenty-four millions. The interest on two hundred millions of gold now lying unproductive—then liberated and sent abroad as exports—twelve millions. An additional tax on the banks of three millions, which they could well afford to pay, rather than return to specie payments. The interest on the amount which would be saved by paying that portion of the national debt payable in currency, in currency of the same value as that in which it was borrowed, rather than by paying it in one of largely increased value. This portion of the debt being one thousand seven hundred millions, the saving could not be less than five hundred millions.

This makes an aggregate annual saving of sixty-nine millions, otherwise to be taken out of the pockets of the great mass of the people to go into the pockets of the few owners of accumulated capital held in the shape of notes, bonds, and other interest-bearing securities. Those in the receipt of salaries would not be permanently affected either way; for their salaries would be raised to correspond with the prices ruling under the new order of things, as soon as the policy of our Government became fixed. When this policy was determined, they would be benefited quite as much, and perhaps more than by any other class in the country, as they pay their full share of taxes.

The amount of the currency being now fixed so that the present value shall be continued, we shall pay our national debt in a currency worth twenty per cent. more than that in which the loan was contracted. If we return to specie payments, we further increase the value of the currency in which the debt will be paid thirty per cent., so that we shall actually pay our debt in a currency worth fifty per cent more than that in which it was borrowed, and to this extent we increase our national debt. And, without

any obligation on the part of the Government, this is done to the extent of that part of our debt payable in currency, viz.: one thousand seven hundred millions. Is this wise? Is it doing justly by our already overtaxed people? And who are to reap the benefit of this enormous addition to our indebtedness? The holders of the bonds at home and abroa — these are the people who make the public sentiment which calls for a return to specie payments.

THE BANK OF ENGLAND.

BY MERCATOR.

(Continued from page 116.)

We have now to resume our narrative of the Bank of England, which had not long commenced its career when it became the object of much distrust and unpopularity, and was obliged to strain every nerve to obtain a reasonable amount of business. At first this establishment lent its money at 6 per cent. which was the highest it could charge: but to augment its customers, in 1695, it proposed to discount certain bills as low as 3 per cent, and to advance money on land, plate, and other securities. It was, however, in 1696 that the Bank had to pass through its first ordeal. This occurred during the re coinage of the silver currency, when the Government was destitute of money and credit, notwithstanding the succor it had so recently received, and threatened to drag the "Old Lady of Threadneedle Street" into the vortex with it. The tallies at this eventful period, which represented the debts due by the Government to the public, had fallen to a discount of 40 per cent. and the notes of the Bank to 20 per cent., which compelled the latter to issue bills of exchange as a substitute for its notes, bearing interest at 6 per cent; and parties owing money to each other were permitted to transfer their accounts for any sum under five (5) pounds. To meet the difficulties of the crisis Mr. Montague, afterwards the accommodating and intriguing Lord Halifax, invented a form of paper money called Exchequer Bills; and as the Bank had even better credit than the Government, it was instrumental in causing them to float.

But while thus serving the State the Bank did not forget their own interests; but applied for a renewal of the charter which had only been three years in existence. It is said that it is an ill-wind that blows nobody good luck, and the misfortunes of the Government having afforded the Banks an opportunity to render, at a critical juncture, important service, the circumstance was highly advantageous to it. By the 8th & 9th William III, it was empowered to increase its capital stock in the *depreciated notes and tallies*, so that these securities, which had been bought at a very great discount, were suddenly raised considerably above par. These and the Bank Stock, with which they were purchased, ascended to 112 per cent. The proportions in which the the subscriptions were to be made were four-fifths in tallies and one fifth in Bank Notes at their par value. The interest on the tallies to be fixed at 8 per cent. secured by a duty imposed upon salt. The addition to the capital stock upon this occasion was £1,007,171 10s., making the total £2,201,171 10s.

By this act the charter was prolonged until 17.0, and several other

valuable privileges were conferred upon the Bank, one of which was, *that no other similar corporation in the nature of a Bank should be established in the Kingdom.* The Bank had now the field to itself, and rode the high horse—but in 1704 it had to meet a formidable rival in a company called the "Mine adventurers of England," to which the crown, somewhat ungratefully, and, as the event proved indiscreetly granted a charter.

It is sufficient to show the little reliance which, at a demoralized age, is to be placed in exalted names as a security against fraudulent practices, when we find at the head of the petition soliciting a charter for this wild scheme the signatures of the Duke of Leeds, Earl Bolingbroke, Lord Guilford, and Sir Thomas and Sir Henry Mackworth. This chartered swindle, after having been made the instrument of plundering the public by an organized system of fraud, which surpassed even that of the Royal British Bank, exploded, much to the gratification of its rival, the Bank of England. Parliament, upon an investigation of this case passed a resolution in which it was declared that Sir Humphrey Mackworth, the deputy governor, of whom the late John Sadlier appears to have been an humble imitator, was guilty of scandalous frauds and *indirect practices*, in violation of the charter granted to said company, in breach of his trust, and to the manifest wrong and oppression of the proprietors and creditors of the company; and unanimously voted that a bill should be brought in for preventing him and William Shones, the secretary, and Dykes, the treasurer, from leaving the kingdom or abstenating their estates. It might be thought that this break-up of a chartered bank, launched under such distinguished patronage, would have rendered the Government more circumspect in future in connecting itself with similar schemes; but far from this being the case, Lord Oxford, in 1711, when he filled the office of Prime Minister, was one of the chief promoters of that scheme which has descended to posterity at the South Sea Bubble. The Bank now having a clear stage, and being no longer obliged to contend with rival establishments, took advantage of the monopoly it possessed. The directors feeling that it was their interest to maintain a good understanding with the parties who managed affairs at Whitehall, always evinced a desire to make things pleasant to the latter upon condition that they themselves should not suffer by affording the accommodation required. We find them, in pursuance of this plan, undertaking to circulate Exchequer Bills for the Government to the extent of 1,500,000 at 4½ per cent. interest; but taking care at the same time to stipulate *that they should remain a corporation until the amount was redeemed.*

In 1708, we observe them still keeping their eyes steadily fixed upon their own interest, and by the following clause introduced into the 7th Anne, Cap. 7, Sec. 61, securing to themselves the *sole privilege* of banking: "During the continuation of the corporation of the Governor and Company of the Bank of England, it shall not be lawful for any body, politic or corporate whatsoever, created or to be created, (other than the said Governor and Company of the Bank of England) or for any parties whatsoever, united or to be united, *in covenants or partnerships, exceeding the number of* SIX PERSONS, in that part of Great Britain called England, to borrow, owe, or take up any sums of money on their bills, notes payable on demand, *or at any less time than six months from the borrowing thereof.*" This clause laid the foundation of that monopoly which has since, with

little relaxation, been preserved, and which has proved so baneful to a commercial country. We shall, as we proceed further, find another generation of Bank of England directors excusing themselves for their inability to accommodate the commercial classes, in consequence of their want of capital, having lent all their available funds to the Government. We look back with astonishment at a few persons associated together to carry on the business of bankers, under the authority of a charter granted for a limited period, claiming such a monopoly, and feel contempt for the legislation which could concede a privilege so unjust and unsound. The Parliament, however, which passed this law, it should be remembered, was abominably corrupt. Its members were openly bribed by the Minister of the day, and ready to perform any filthy work required of them to earn the wages of sin.

In this year, the advantages obtained by the Bank were more than neutralized by its reverses. There was a threatened invasion of Scotland by the French, in support of the Pretender; and a run directly on the Bank—ever the victim of evil rumors and panics—was the result. We do not believe that the Scottish National Bank, which Wm. Patterson started, was affected in a similar measure, or that the threat of invasion damaged its credit and placed its safety in jeopardy. The Bank of England, more frightened than injured upon this occasion by the alarm of the English people,—which must strike foreigners as a strange and ludicrous spectacle—weathered the storm by the Government allowing interest at the rate of 6 per cent. instead of 3 upon sealed bills, and by a rate of 20 per cent upon the proprietary. Several wealthy Peers, among others the Duke of Marlborough, who owed all he possessed to the exiled Stuarts, came forward at this crisis and offered large sums of money to sustain the Bank, which would argue that the institution enjoyed the good-will of patricians, though it had not enjoyed the confidence of the people.

(To be continued.)

MINERAL PRODUCTIONS OF THE UNITED KINGDOM.

The Mineral Statistics of the United Kingdom for 1865 have been completed by Mr. Robert Hunt, of the Museum of Practical Geology. Sir Roderick Murchison, as director-general of this establishment and the Geological Survey, in his introductory notice, draws attention to the remarkable increase in the production of coal during the past year, and to some tables which, he states, "give a more correct view of the progress of our coal and iron industries than any statement which has hitherto been published." The importance which attaches to everything connected with coal at the present time induces us to commence our notice with it, although the coal returns form Part 2 of the "Mineral Statistics":—

	Tons produced.		Tons produced.
Durham and Northumberland	25,132,694	Shropshire	1,135,000
Cumberland	1,341,047	Gloucestershire and Somersetshire	1,875,000
Yorkshire	9,375,100	Monmouthshire	4,125,000
Derbyshire	4,595,750	South Wales	7,911,407
Nottinghamshire	1,095,500	North Wales	1,983,000
Leicestershire	965,500	Scotland	12,6 0,000
Warwickshire	859,000	Ireland	123,000
Staffordshire and Worcestershire	12,200,489		
Lancashire	11,962,000	Total produce of the U. Kingdom	98,150,517
Cheshire	850,000		

This gives an increase of 5,362,709 tons of coal in 1865 over the production in the previous year. We find from the tables alluded to that in the last five years the quantities exported and retained for consumption have been as follows:

	Exported. Tons.	Retained. Tons.	Used for each head of the population. Tons. Cwts. qrs. lbs.
1861.....	7,855,115	77,657,029	3 7 2 6
1862.....	8,801,852	75,202,986	3 4 1 2
1863.....	8,275,212	79,890,253	3 8 1 20
1864.....	8,809,908	83,852,265	3 1 0 21
1865.....	9,170,477	88,980,110	3 13 2 24

It is therefore evident that the largely increased quantity of coal produced is consumed in their own manufactures, in commerce, or for domestic fires. Mr. Robert Hunt shows, by another tabular statement, that for the same five years there have been used for every branch of iron manufacture the following quantities:—

	Coal consumed in making iron. Tons.	Leaving for all other purposes. Tons.	Or for each head of the populat on. Tons. Cwt. qrs. lbs.
1861.....	22,273,762	55,383,267	2 7 3 3
1862.....	23,552,107	51,650,879	2 3 0 13
1863.....	27,013,082	52,877,171	2 5 2 23
1864.....	28,715,439	55,137,526	2 6 0 3
1865.....	28,783,052	59,197,058	2 9 0 8

For the purpose of rendering this history of the coal trade as complete as possible within the limits to which at present the enquiry could be extended, returns of all the coals brought into London since 1834 are given, a detailed statement of all the colleries sending coal in the metropolitan district since 1854, and the prices of Newcastle and Sunderland coal in the London market during each month since the year 1832. From that in 1834 by sea and canal London received 2,080,547 tons, and in 1844, 2,563,166 tons. In 1845 the railways began to bring coal to London, the quantity in that year being 3,461,199 tons. In 1854 there was an advance to 4,378,732 tons, and in 1864 to 5,476,426. The quantity brought within the metropolitan district last year being 4,900,940 tons.

Iron.—Of iron ore it appears that there was raised from iron mines and collieries 9,910,045 tons, which is valued at the place of production at £3,324,084 13s 2d. This was used to feed 656 blast furnaces, from which flowed forth 4,819,254 tons of pig iron. Of this, 543,018 tons were exported and upon the remainder 6,407 puddling furnaces, and 730 rolling-mills were employed in converting it into finished iron.

Tin—The quantity of tin produced in 1865 was larger than that obtained from the tin mines in Cornwall and Devonshire in any previous year, amounting to 16,686 tons of tin ore, of the value of £866,435, from which 10,039 tons of metallic tin was obtained. The quantities of tin ore produced during the previous five years have been as follows:—

	Ore raised. Tons.	Price of Ore. per Ton.		Ore raised. Tons.	Price of Ore. per Ton.
1860.....	10,462	£71 11	1863.....	15,157	£63 12
1861.....	11,640	62 7	1864.....	15,211	60 17
1862.....	14,127	59 14			

This increase of production has strangely kept pace with a steady decline in price, until in 1865 the mean average price was £55 6s. The

system under which tin mines have long been worked renders it necessary to meet the exigencies of the share-market, that at any cost calls should be avoided and dividends declared. Hence, as the price has fallen each mine has poured more tin into the market to put off for a short season the evil day which must soon arrive. Seeing that very large quantities of tin are steadily arriving in England from Banca and Billiton, and that the Dutch merchants hold 7,690 tons of tin, available for the coming twelve months, there is no hope of any increase of price, until necessity, by closing many of the productive tin-mines, reduces the supply.

COPPER.—The copper mines of Great Britain and Ireland produced last year 198,298 tons of copper ore of the value of £927,938. From this 11,888 tons of copper were smelted, which had a value of £1,134,664. The production of British copper ores has been for some time steadily declining—the ores, as shown, by a table given, are becoming poorer, and the price which was for Cornish copper ores in 1856 £6 2s. 6d. has fallen to £4 15s. in 1865. The imports of foreign and colonial copper have been very large, that of copper ore amounting to 82,562 tons, and of regulus to 39,686 tons, while cake and manufactured copper have also been largely imported.

LEAD.—The total quantity of lead ore raised in the United Kingdom in 1865 was 90,452 tons, from which we obtained 67,181 tons of metallic lead, and 724,856 ounces of silver.

ZINC.—The ores of this metal—blende and calamine—have raised more freely, owing to a slight advance in the price of the ore, than it has been for some years past. Our mines produced last year 17,842 tons of zinc ores, against 15,047 tons obtained in 1864.

GOLD.—From the gold quartz which is mined from the Welsh hills in the neighborhood of Dolgelly we have the following returns:—

	Ounces of Gold.		Ounces of Gold.
Vigra and Clogau	532	Gwynfynydd	8
Welsh Gold Mine	277	Cwmheisian	8
Castell Carn Dochan	827		
Castell Carn Dochan	6		1,663

In 1864 2,336 ounces of gold were obtained, and in 1862 5,299 ounces.

SULPHUR ORES.—Iron pyrites have been raised during the year to the extent of 114,195 tons, the value of which is estimated at £71,174. Of this quantity 81,990 tons have been raised in county Wicklow, Ireland.

BARYTES.—A mineral which is largely used to mix with white lead; there are returns given of 6,768 tons.

ARSENIC.—Of the white oxide of arsenic a return has been made to the Stannary Court of 826 tons, separated from other ores, and sold in Cornwall.

The following table gives a concise view of the importance of the mineral industries of the United Kingdom:—

General Summary of the Minerals Raised and Metals Produced in the United Kingdom in 1865.

	Minerals Raised		Metals Produced	
	Quantity.	Value.	Quantity.	Value.
Tins, tons	10,656	£867,437	10,939	971,273
Copper, tons	198,298	927,938	11,888	1,134,664
Lead, tons	90,451	1,153,134	67,181	1,433,161
Silver, oz	....	....	724,856	199,335

Zinc, tons	17,842	52,478	4,460	104,810
Pyrites, tons	114,195	71,174	....	....
Gold (quartz)	4,280	....	oz 1,164	5,824
Iron, tons	9,910,045	3,324,804	4,819,254	1,774,220
Coal, tons	98,150,587	24,537,621	....	....
Earthly minerals and others, returned	....	774,466	....	....
Earthy minerals and returned, estimated	....	650,000	....	....
Metalliferous ores and metals, other than above estimated	....	....	....	....
Total value	....	32,359,080	....	15,773,257

The following, therefore, represents the total value of the productions of our mines and colleries in 1865 :—

Metals obtained	£15,773,287
Coal	24 537,621
Earthy minerals (not including ordinary clays and building stones)	1,434,496
Total	£41,745,404

THE COPPER MINES OF CANADA.

The Bruce Mines, Lake Huron, owned by the Montreal Mining Company, are a group of lodes traversing the location in a northwestward direction, intersecting a thick mass of interstratified greenstone trap. The strata here present an anticlinical form, the lodes running down the crown of it. All of the lodes contain more or less copper ore, which is disseminated in a gangue of quartz. The main lode which is worked with another of about the same thickness, is, on an average, from two to four feet wide. In a careful examination made in 1848, about 3,000 square fathoms of these lodes were computed to contain about 6½ per cent. of copper. The quantity of ore obtained from the mine since its opening in 1847 is stated to be about 9,000 tons of 18 per cent. The quantity obtained in 1861 was 472 tons of 17 per cent. The deepest working is 50 fathoms from the surface. The number of men employed is 34. Smelting furnaces, on the reverberatory principle, were erected at the mine in 1853; the fuel used in these was bituminous coal imported from Cleveland, but after a trial of three years the company themselves ceased smelting and subsequently leased their smelting works to Mr. H. R. Fletcher. At present the ores are in part sent to the Baltimore market, and in part to the United Kingdom.

Acton Mine, Acton, Lot 32, Range 3.—The ore of the Acton Mine occurs in masses subordinate to the stratification at the summit of a band of greyish white and reddish-grey compact sub-crystalline dolomite, from 200 to 300 feet thick, belonging to the base of the Quebec group. The dolomite is divided into massive beds; it is associated with a good deal of chert, and encloses mammilated fibrous concretionary forms resembling those of travertine. At the summit the dolomite often terminates in a breccia or conglomerate, with angular and rounded masses of limestone, intermingled with ragged, irregular, masses of chert. In many places the dolomite is marked by the occurrence of the yellow, variegated, and vitreous sulphurets of copper, which are in patches, running with the

stratification. In the neighborhood of these, many veins and strings of quartz intersect the rock in various directions, and hold portions of the sulphurets of copper. The copper ores, which often contain native silver, appear to be more abundant in the upper part of the rock. At Acton, the conglomerate is separated from the main body of the dolomite by between eighty and ninety feet of dark grey or black slates intermixed with diorite; in these the conglomerate lies in large isolated masses running parallel with the summit of the main body of the dolomite. On the opening of the mine the sulphurets, where most abundant, appeared to occupy a position immediately near some isolated masses of conglomerate and partially to surround them, in some parts constituting the paste of the conglomerate. As the work proceeded, many slips and dislocations, of no great magnitude, were found to cut the strata. Some of them appear to run with the strike, and others in two of parallel series, oblique to one another. These disturb the regular continuity of the copper bearing bed, producing apparent undulations in the dip, and causing the diorite and the limestone to protude into the copper or unexpectedly to interrupt one another. The ores were found to be concentrated in three large masses, occurring in a length of about 120 fathoms. Proceeding south-westwardly, the space occupied by the most northern mass, from a breadth of a few inches gradually widened out to about ten fathoms in a length of about forty fathoms; beyond which it appeared to be thrown out fourteen fathoms obliquely to the westward. The general bearing of the succeeding two masses was still to be the southwest. They were about fifteen fathoms apart, and larger or more southward, one swelled to a breadth of fifteen fathoms. The depth to which the ground has been worked on the general slope of the bed is about ten fathoms; the cupriferious rock at this depth has a breadth of about twelve feet in a shaft on the northern mass, and shows rich ore in the floor and the parts adjacent; but with the exception of what is called Pike's pit, in the most southern part, the floors of the other masses do not at present exhibit that same abundance of ore which characterized the upper part. The working of the mine, however, up to the present time, has been confined to the extraction of the rich ore which was in sight. Little or nothing has been done for discovery, and it cannot be said how near to the present floor of the mine may be found other masses, similar to those which have been excavated. Beyond these masses, in opposite directions to the surface, the ore becomes more scattered in the strata; but there is evidence of its continuance for several hundred feet, in spots and patches, occasionally aggregated into masses of much less importance than the three principal ones. In the first few weeks' work in 1859 about 300 tons of ore, containing nearly thirty per cent. of copper, were quarried, in open cuttings, from two of the masses, without making much apparent impression on the quantity in sight. The total quantity said to be sent from the mine to 1861 is about 6,000 tons, holding an average of about 17 per cent. of copper.

Upton Mine, Upton, Lot 51, Range 20.—The band of dolomite, which sinks with a northwestward dip at Acton, rises again at Upton, on the opposite side of a synclinal form, at a distance of about six miles. Here about twenty feet in the upper portion of the band are marked by the yellow sulphuret of copper, which is disseminated in the rock as if in a bed, the ore being most abundant in the lower part. The rock is at

the same time cut by many reticulating strings and veins of calcspar, which hold ore. An open cutting has been made on the outcrop of the bed; the quantity of ore obtained is stated by the proprietors to be forty tons, and a sample, represented by them to be an average one, yielded to the analysis of Mr. C. Robb, 14 per cent. of copper. The quantity of rock which has been excavated is uncertain.

Bissonette's Mine, Upton, Lot 49, Range 20.—From the position where the rock has been wrought in the previous mine, the band of dolomite runs southwestward for nearly a mile, and then appears to be thrown upwards of half a mile to the south-westward by a dislocation. Bissonette's mine is on the southwest side of the dislocation, and apparently in the same stratigraphical place in the band as the Upton mine. The bed is about three and a-half feet thick, and the ore lies in disseminated masses of various sizes up to twenty inches long by six to nine inches thick. The bed might probably yield from a half to three-fourths of a ton of ten per cent. ore to a fathom.

Wickham Mine, Wickham, Lot 15, Range 10.—The ore occurs in masses, disseminated in what appears to be a bed, of uncertain thickness, in the same band of dolomite as that of the Acton mine. An experimental shaft has recently been sunk on it to a depth of about five fathoms, in which good bunches of ore have been met with. About four tons of 30 per cent. ore have been obtained from the excavation.

Yales Mine, Durham, Lot 21, Range 7.—At this mine several veins, carrying more or less copper, intersect a mass of magnesian limestone, which is supposed to belong to the same band as that of the Acton mine. The veins have a general bearing northeastward, and trial shafts have been sunk on three of them, the thicknesses of which vary from 6 to 30 inches. The vein-stone is calcspar, with a little quartz, occasionally mixed with portions of the wall rock. On the most northwestern vein the excavation is two fathoms deep, and reaches black shale beneath the limestone. On the middle one, which is 18 feet to the southwest, the excavation is six fathoms deep, again reaching black shale; and on the third, 24 feet farther to the southeastward, a shaft sunk about four fathoms is still in magnesian limestone. In this shaft the vein has an underlie to the southeastward of about a foot in a fathom, and in a breadth from 6 to 12 inches shows good lumps of ore, mixed with calcspar and wall rock.

Black River Mine, St. Flavien.—At St. Flavien, about five leagues above the Chaudiere and two leagues from the St. Lawrence, red shales occur, underlaid by a band of amygdaloidal diorite; this appears to occupy the place of the magnesian limestone to which the band at Acton belongs. It is between a quarter and half a mile wide, and limestone occurs both at the summit and at the base of the band, which in those parts appear to be of a concretionary or conglomerate and brecciated character being composed, particularly at the base, of rounded and angular masses of amygdaloidal diorite, varying in diameter from two inches to two feet. Many of these are calcareous, and much of the rock is red. The interstices among the masses are filled with calcspar, which is transversely fibrous towards the walls, and encloses crystallized quartz in the centre. This band is highly cupriferous, and ores of copper occur both in the beds and in the veins or lodes which cut them—the bearing of the veins, however, being with the strike. The ore in the beds is copper pyrites, large masses

of which, similar to the one exhibited, are associated with the limestones at the top. The veins, in addition to copper pyrites, hold the variegated and vitreous sulphurets. In one spot, native copper occurs in small masses in the conglomerate at the base of the diorite. The whole band has a striking resemblance to some of the rocks of the upper copper-bearing series of Lake Superior.

N. B.—A band of diorite very similar to the one above mentioned, and perhaps a continuance of it, occurs at Drummondville, on the St. Francis, where the bank is half a mile wide. On lot 1, range 1, of Wedyver, it holds yellow, variegated, and vitreous sulphurets of copper, which run in six or seven thin veins or courses, formed by breaks and slips in the diorite within a breadth of 350 yards.

The rocks of the Quebec group, which are almost wholly on the South side of the St. Lawrence, are distributed in long, narrow parallel synclinal description, these have been divided into—1st. The Lauzon and Farnham synclinal, which is one of the most to the N. W.: 2d. The Shipton and St. Armand synclinal, continued to the N.E. in the Shipton and Leeds synclinal. Between these two synclinals runs the Bayer and Stanbridge anticlinals, and beyond them to the S.E. is the Danville and Sutton anticlinal. From this there branch, in the neighborhood of the St. Francis, the Sutton Mountain anticlinal and the Melbourne and Potton anticlinal. The six copper-bearing beds and veins that have been mentioned, 4-9, are all included in the Lauzon and Farnham sydclinal.

Harvey's Hill Mine, Leeds, Lot 18, Range 15.—At Harvey's Hill mine there occur, in a breadth of about 1,000 feet, eight courses, with a north-eastward bearing, composed chiefly of quartz with various proportions of bitter spar, chlorite, and calcspar. They all cut the strata, with an underlie at high angles, to the north-westward, and hold in greater or less quantities the yellow, variegated, and vitreous sulphurets of copper. These quartz-courses, which appear to have lenticular forms, occasionally extend upwards of 100 fathoms horizontically. Some of them have shown a width of as much as seven feet in the thickest part, occasionally for carrying short distances as much as two tons of twenty per cent ore to a fathom. The rock of the country is a talcoid, mica slate, which forms its lustre, is called a nacreous slate. To prove the quartz courses in a downward direction, an adit level is being driven through these slates, from the north side of the hill, at a level of thirty-seven fathoms below its summit. The length of this adit when complete will be 220 fathoms. The same sulphurets of copper which characterise the quartz courses occur also in beds conformable with the stratification. Of these there are three at Harvey's Hill. The lowest one resting on a six feet bed of soapstone, is six inches thick; fifteen feet above this there is another three inches thick; and twenty fathoms still higher, one varying in thickness from twenty to thirty inches. In these beds the ore is distributed through the nacreous slate in patches, generally of a lenticular form; they are usually thin, but sometimes attain one-half to three-fourths of an inch in the thickest part, and occasionally present in section lines of six inches or even twelve inches in length. The patches interlock, one overlaping another, with variable distances between; while many single crystals and grains of ore are disseminated through the whole thickness of the beds. The quantity of ore obtained from the mine is uncertain; the number of men employed is about fifty.

St. Francis Mine, Cleveland, Lot 25, Range 12.—The ore is disseminated in a vein slightly oblique to the stratification of a quartzo-chloritic rock, frequently studded with nodules of orthoclass feldspar, often surrounding small centres of quartz; the nodules give to the rock the aspect of an amygdaloid trap. The bed has an average thickness of three feet, and the rock is supposed to occupy a higher stratigraphical place than the Acton dolomite. The vein is traced running N.E. for 90 fathoms. Five or six small excavations, each one of a few fathoms in length, have been made in the outcrop to the depth of two feet, and in these the variegated and vitreous ores are mixed with the yellow sulphuret.

FALLACIES ABOUT SPECIE PAYMENTS.

It is the fashion just now to talk of an early return to specie payments. And the desire which all good citizens have to get back to a sound stable currency, leads not a few of us to welcome every downward movement in the price of gold, as if it indicated that we were approaching the desired goal of resumption. If the only force which is at this moment acting on gold to depress or raise the premium in the market, were an appreciation of greenbacks, and took its origin in a reform of our paper money, these sanguine expectations would not be devoid of foundation. But it is notorious that gold is exposed in its daily fluctuations in the market to a host of other influences which have no connection whatever with our greenback currency. Hence, the perturbations in the value of gold, so far as they are due to such causes, offer no indication whatever of responsive movements in the value of our paper money. The thermometer ceases to be a register of the heat of your room whenever the rise or fall of the mercury is tampered with, or is governed by other causes than the heat of the atmosphere. So with gold. It is no accurate gauge of the depreciation of the currency, except its daily price can be freed from perturbation by the foreign exchanges, by the import and export movement of specie, by the supply of floating gold on the market, by the prospect of peace or war in Europe, by the movements of our national Treasury, and by a thousand other occult circumstances, which Wall Street seizes upon and makes the basis of calculation, measurement, and speculation. Let us not be misunderstood. We do not say that the price of gold is never, or in no degree regulated by the depreciation of our paper money. What we say is, that this depreciation, this loss of purchasing power, is one force among a multitude of conflicting forces, all of which modify and regulate the market price of gold. The real price of gold, if we could get at it, might measure the depreciation, and would indicate the purchasing power of our paper money as a thermometer measures degrees of heat or cold; but the *real* price of gold is not the *market* price.

The latter is in very great emergencies, very far removed from the former. Thus, in July, 1864, the market-price of gold rose to 285, but the real price was much below that figure, as is proved by the fact that the purchasing-power of the greenback-dollar in the hands of the workingman who wished to buy with it food or other necessaries was as great when gold was at 285 as some weeks earlier when gold stood at 168, or, as it was last April, when the rate was 125. We might, indeed, with

as much justice, argue that the great law of gravitation is suspended because the sea pours its waters up the Hudson twice a day as to deny the great law that currency redundancy produces currency depreciation because of certain tidal perturbances in market-value which prevent the rate of gold from corresponding exactly with the rate of depreciation. Without arguing the question more at length, then, enough has been said to show the fallacy of the prevalent opinion that whenever, from any causes whatever, gold is going down in price, we are of necessity improving our depreciated deranged currency or drawing a step nearer to resumption of specie payments.

Another view which is abroad in reference to this subject is that, by hoarding up gold in the Treasury, we shall facilitate an early resumption. We have at present more than seventy millions of Government gold in the Treasury vaults. When we have one hundred and fifty or two hundred millions hoarded up there (if, contrary to belief, there is enough gold in the country to permit us to amass so much without inflicting great mischiefs on commerce), what good will this prodigious store of coin do to us? Suppose, with this one hundred and fifty or two hundred millions, we offer to redeem our legal tenders at par, what would be the natural result? Of these legal tenders we have outstanding no less than five hundred and fifty-five millions. And how long would our two hundred millions remain in the Treasury? It is easy to see that every holder of greenbacks would hasten to get coin for them. The greenbacks would pour into the Treasury and the gold would flow out in a resistless stream until, at the end, there would remain more than three hundred and fifty millions of greenbacks outstanding, for which no gold could be got at the Treasury. Now, every man of business must see at once that the spasms produced by such a violent perturbation of the circulating medium would fill the whole country with panic. Bankruptcy and universal stagnation would succeed; and it would be well if, in the general ruin of our commercial and financial interests, the national debt was not at one stroke swept away. Happily, no such mischievous and suicidal scheme as this was ever adopted by any nation as a remedy for the evils of irredeemable paper money. Certainly, there is in our people too much good sense and general knowledge of history and finance to render it in the least degree likely that in Congress or among our citizens generally this view will ever stand a chance of getting itself into favor, or of exerting an influence in shaping the financial policy of the future.

But, to understand the true remedy and the mode of applying it, we should ask ourselves what is the impediment to our resumption of specie payments? To this question, the reply is that the redundancy of the currency is the chief impediment. Take this stupendous obstacle away and all others will be of small moment. Contract the volume of the currency to its normal limits, and whatever else is needful will be done with comparative ease. The greatest, the most necessary, and the first step toward specie payments, is contraction of the currency. Although there is no proposition in financial science which is better established than this, all kinds of visionary projects for restoring the currency are found in the public press. One of the chief causes of this is the mischief induced by contraction when it is done unskilfully, or at the wrong time. The

first occasion on which this mischief was very prominently brought into view in our recent financial history was in the summer of 1863, when Mr. Chase, persuaded by persons who urged him to give a check to speculation, suddenly locked up in the Treasury a large amount of greenbacks, hastily gathered, by various expedients, in the City of New York. Had the absorbing of this money been slow, or had an adequate previous notice been given, the equilibrium would have been less violently disturbed. As, however, this previous notice would have defeated the object in view, the movement was made suddenly, and fell like a thunderbolt from a clear sky. A panic was produced which will be long and sadly remembered in financial circles. A few speculators were made rich by it, but thousands were impoverished, and it was estimated at the time that the loss by depreciation of property was 106 millions of dollars. Ever since this period, we have had in the popular mind such a dread of contraction of the circulation, that there has been a readiness to listen to any proposals for returning to specie payments without this indispensable condition. All these schemes, however, as we have said, are absurd, and attempt an impossibility. Never in the history of nations has any depreciated currency been restored to par except by contracting its volume. As well might a boat attempt to go from Lake Erie to the sea without descending the whole depth of the Falls of Niagara.

This, then, is the difficulty. Contraction of the currency is necessary. But to contract violently is impossible. To make the leap at once would engulph the whole country in bankruptcy. We must, therefore, take the next best means. As we cannot descend to the level we want at one plunge, we must be content to do it by graudual degrees. As a vessel may safely go down by a series of locks to any required depth, in its transit from the lakes to the sea, so may our financial barque, if well piloted through the successive slow movements which are needful, gradually reach the desired haven of resumption. There is then a right way and a wrong way to contract the currency. The wrong way is to make the plunge suddenly, and its end is inevitable failure. The right way is to diminish the volume of our circulating money by slow degrees. This is the way decided on by Congress, in prohibiting a greater reduction than four millions a month. And, if preserved in, this safe course will bring us to specie payments in less time, and with less danger of revulsion and panic, than any other.

If the testimony of history were not so full and complete that necessity of contraction is necessary to resumption, we might infer it from the fact that depreciation is produced by redundancy. Neither French Assignats, the Continental currency, nor our own greenbacks, depreciated noticeably in value till they were issued in excess. Now, depreciation being caused by redundancy, a recovery from the morbid state is to be realized only by removing the cause—that is, by correcting the redundancy. Of our paper money, a sufficient amount must be withdrawn to make the aggregate what it would be on a coin basis. This normal amount is not fixed and rigidly stationary. Like the current of the Mississippi, it varies responsively to various causes at different parts of the year. But it varies within bounds which are ascertainable and self-regulating. How much currency we should want were the paper dollar equal to ten dimes in coin, cannot be discovered by referring to the period be-

fore the war and the suspension of specie payments. At that period two hundred millions were enough. During the last five years we have vastly expended our financial operations, our mercantile enterprises, and our productive industry. There is more need therefore, and more use for the circulating medium. The amount which is now required has been estimated at three hundred millions, and it probably could not safely exceed four hundred millions without being reduced in purchasing power below the level in coin.

In England the average amount of current money is under 250 millions of dollars; in France under 300 millions. But the habits of various countries differ so widely as to the methods of doing business and of economising currency, that no certain conclusion can be reached, save by experience. From what has been said, however, three or four conclusions are sufficiently clear. First, a large amount of our 800 millions of active paper money must be withdrawn before we can get down to the level of specie payments. Secondly, if high prices necessitate the use of a large volume of currency, and redundant currency therefore puts prices up, the converse is true, and a permanently contracted currency will produce permanently lower prices for real estate, merchandise, and all other commodities. Thirdly, the contraction being gradual, and extending itself over a series of years, the shrinkage in prices will be almost insensible, or may, at any rate, be adjusted with such quietude as to do but little harm. Fourthly, the debtor classes of our population, who will suffer by contraction, are those which are mostly sensitively exposed to pecuniary injury, and which suffer most severely under it. Hence the necessity for caution as to every successive step we advance in the path of contraction.

In view of these facts there is the most anxious watchfulness over any of Mr. McCulloch's movements which seem to look towards interference with the currency. His power to call in greenbacks is limited by Congress to 48 millions a year. He may withdraw less than this sum, but he is not permitted to withdraw more. But there are other parts of the currency over which Congress has left him unlimited power. The compound interest legal tenders he can withdraw as fast as he can buy them at par, first cost. If the price were not two per cent above par he would have the ability to act on the currency by bringing these notes, which are largely held by the banks as reserve instead of other legal tengers. Being so held as reserve they perform one of the functions of currency, and thus do the duty of a certain amount of greenbacks, which are released for active use in the current of circulating money. We doubt the policy of paying off the Clearing-House certificates, which have been held by the banks at four per cent. interest. Forty five millions of currency are thus being thrown into the banks, and they will be tempted to lower their reserve, and either to lend their surplus funds in discounting rashly, or to invest for speculative purposes. This lowering of the reserve is obviously a weakening of the position of the banks. At present they hold considerably more of legal tenders than the twenty-five per cent. reserve required by law. Some of the reasons why we have had so swift a recuperative movement after the monetary spasms which have visited us, is to be found in this extraordinary strength in the reserve funds which constitute the buttresses and bulwarks of our financial edifice. Two of the most powerful inducements which have led and enabled the banks to strengthen

themselves with so ample a reserve, are found in the compound interest notes and the Clearing-House certificates. We have, consequently, grave doubts whether it is safe and wise at the present moment for the Secretary of the Treasury thus to disturb the currency. Contraction is a good policy, a necessary policy, but it must be timely, not at the active period of the year, and it should be slow. At the same time every inducement should be held out to our banks to increase this reserve.

TRADE OF GREAT BRITAIN AND THE UNITED STATES.

COTTON, BREADSTUFFS, PROVISIONS, ETC.

Notwithstanding the Bank rate of discount was at 10 per cent. during the month of July, the English Board of Trade returns for that month, which we have just received, present many favorable features. As regards that country, the results show most conclusively the importance of the trade between us and Great Britain, although it must be borne in mind that transactions would not have been on the extensive scale reported had no fears been entertained in England that higher rates of import duty might be imposed in this country. Future business has, therefore, been anticipated, and for that reason, in part, is so extensive a trade exhibited during the months of May, June and July.

The declared value of the imports of British and Irish produce and manufactures during the seven months ending July 31 was £107,815,664, against £88,242,048 last year, and £92,441,950 in 1864. There is, therefore, an increase during the present year, as compared with 1865, of £19,600,000, and of £15,400,000 as compared with the corresponding period in 1864. For each of the seven months in each of the last three years the figures stand thus:

	1864.	1865.	1866.
January	£10,413,586	£10,489,339	£14,354,748
February	12,698,121	1[illegible],376,214	15,116,068
March	13,555,674	13,770,154	17,520,354
April	13,225,089	12,071,111	15,366,414
May	14,176,640	13,194,758	15,870,131
June	13,978,526	13,227,092	14,630,120
July	14,394,864	14,113,410	14,957,834
Total	£92,441,950	£88,242,048	£107,815,664

The computed real value of the principal articles imported into the United Kingdom, during the six months ending June 30, was rather more than £30,000,000 sterling greater than in the corresponding period in 1865, and £16,600,000 in excess of 1864. This great increase is chiefly to be accounted for by the augmented importation of cotton from this country. The figures for each month are subjoined:

	1864.	1865.	1866.
In January	£7,520,386	£6,398,922	£9,817,564
February	13,214,541	12,891,252	16,610,159
March	16,396,928	13,005,394	19,891,204
April	17,587,565	13,078,755	22,455,968
May	22,392,601	14,595,334	23,224,702
June	21,498,185	15,407,688	23,243,701
Total	£98,610,176	£75,340,279	£115,273,358

As regards the United States, the value of the outward trade in British and Irish produce and manufactures from Great Britain, for the month of June and for the six months ending June 30, was as under:

For June.	1864.	1865.	1866.
To Atlantic ports, Northern	£1,503,022	£1,189,363	£1,823,901
" Southern	10,488	614	57,059
Pacific ports	195,435	69,527	98,403
Total	£1,708,946	£1,259,504	£1,978,363
For the six months.	**1864.**	**1865.**	**1866.**
To Atlantic ports, Northern	£11,435,269	£5,965,101	£14,279,198
" Southern	65,951	22,562	559,274
Pacific ports	526,263	227,274	389,148
Total	£12,027,483	£6,214,937	£15,228,220

COTTON.

The imports of cotton into the United Kingdom in July were 600,000 cwts. less than in the previous month. There was a diminution of 354,000 cwts. in the receipts from this country; and of nearly 220,000 cwts. in the importation from the East Indies. The aggregate supply received was 1,075,244 cwts., of which 404,113 cwts. were from this country, and 509,942 cwts. from the East Indies. In the corresponding month last year the receipts from the United States, including the supplies received from the Bahamas, Bermudas, and Mexico, which were mostly United States cotton, were only 45,000 cwts., and in 1864, only 54,400 bales. Annexed are the figures for the seven months:

IMPORTS OF COTTON INTO GREAT BRITAIN IN SEVEN MONTHS ENDING JULY 31.

	1864.	1865.	1866.
From United States.....cwts.	£98,824	£82,963	£3,635,202
Bahamas and Bermudas	186,858	155,833	5,231
Mexico	157,096	249,509	3,145
Brazil	218,070	268,767	450,166
Turkey	138,558	155,826	82,504
Egypt	796,853	904,319	690,267
British India	1,889,997	1,411,296	2,888,141
China	483,328	256,928	13,469
Other countries	155,050	208,621	164,134
Total	£4,124,624	£3,694,062	£7,932,266

The subjoined statement shows the computed real value of the imports of cotton into the United Kingdom during the six months ending June 30:

	1864.	1865.	1866.
From United States	£1,945,954	£534,213	£25,269,971
Bahamas and Bermudas	2,038,809	1,320,109	43,496
Mexico	1,836,733	1,816,660	28,591
Brazil	2,362,974	1,750,714	3,299,310
Turkey	1,296,529	747,676	490,221
Egypt	8,952,379	6,193,841	5,466,636
British India	15,023,536	5,880,043	11,737,547
China	3,570,152	957,866	.....
Other countries	1,531,226	1,277,450	1,013,000
Total	37,858,292	20,478,572	47,348,759

The exports of cotton from the United Kingdom are on a comparatively small scale, considering the greater abundance of supplies in the Liverpool market, and the more favorable terms on which exporters could be supplied. The unsettled state of Germany during the past six months of the year has been a serious drawback to this as well as to other branches of trade. In July the export was confined to 333,440 cwts., against 218,105 cwts. in July last year. Our latest advices from Liverpool, however, report an increasing demand, and future returns will probably show more satisfactory results. In the seven months ending July 31, the exports of cotton from Great Britain were as under:

	1864.	1865.	1866.
To Russia.....cwts	171,478	119,500	186,830
Prussia	7,137	18,012	34,295
Hanover	37,173	18,803	5,618
Hanse Towns	330,760	955,230	426,949
Holland	272,278	233,696	285,452
Other Countries	522,516	660,230	945,249
Total	1,341,342	1,400,470	1,884,393

BREADSTUFFS.

The crop of wheat in England appears to be rather below an average, and, as the weather during the progress of harvest work in the southern and midland counties was very changeable, the crop, so far as it had been harvested at the date of our latest advices, had not been secured in fine or even good condition, and was not ready, therefore, for immediate consumption. Beyond damping the produce, the prevailing rains do not seem to have done any great injury to the crops, and, as farmers had forwarded considerable supplies of produce to market, the wheat trade had been in a very inactive state, and prices had given way about 3s. per qr. During the few days preceding the departure of the mail steamer from Liverpool, on Sept. 1, there was more firmness in the trade, arising from the circumstance, partly of the rumors of a short crop in France, changeable weather in Great Britain, and accounts received from this country of heavy rains in the Western States, and of the upward movement of prices here. The statements respecting the short crop in France appear to be greatly exaggerated, for wheat and flour continue to be exported in considerable quantities from French ports to Great Britain. The crop of maize in Roumania has almost entirely failed, and the export has been prohibited from that province. The annexed statement shows the imports of wheat, flour and Indian corn into the United Kingdom during the seven months ending July 31, in each of the last three years:

WHEAT.

	1864.	1865.	1866.
From Russia..... cwts.	1,608,560	3,510,434	3,988,969
Prussia.....	2,746,198	2,729,900	2,459,902
Denmark.....	469,425	297,112	244,952
Schleswig, Holstein, & Lauenburg.....	161,896	159,211	117,580
Mecklenburg	358,254	312,333	455,222
Hanse Towns.....	384,761	267,991	489,720
France.....	427,394	678,791	3,162,206
Turkey, Wallachia, and Moldavia.....	273,238	407,469	300,973
Egypt.....	366,856	....	8,738
United States.....	5,062,794	405,307	393,160
British North America.....	405,375	101,594	8,780
Other Countries.....	262,583	670,607	2,233,274
Total.....	12,554,284	9,540,749	13,784,435

FLOUR.

	1864.	1865.	1866.
From Hanse Towns..... cwts.	204,433	140,041	160,477
France.....	1,391,363	1,409,217	2,974,122
United States.....	1,214,843	150,188	168,949
British North America.....	211,828	70,464	6,166
Other Countries.....	68,715	83,899	143,108
Total.....	3,090,682	1,853,809	3,452,822
INDIAN CORN.....	1,408,500	2,645,872	7,653,850

BRITISH AND IRISH PRODUCE AND MANUFACTURES.

These exports have been very large, the greatest increase being, as regards the United States, Canada and Brazil. Cotton goods and Woolen goods have been shipped in enormous quantities to all quarters of the globe. The following table shows the value of the exports to the United States in the seven months ending July 31:

	1864.	1865.	1866.
Alkali.....	£251,218	£228,807	£544,915
Beer and ale.....	33,268	21,308	39,715
Coals.....	69,667	56,284	51,970
COTTON MANUFACTURES—			
Piece goods.....	1,428,382	831,905	2,232,229
Thread.....	147,124	64,954	210,701
Earthenware and porcelain.....	269,609	207,121	448,750
Haberdashery and millinery.....	675,153	400,069	830,713

HARDWARES AND CUTLERY—			
Knives, forks, &c.	84,637	76,944	168,706
Anvils, vices, &c	62,229	46,440	62,046
Manufactures of German silver	205,092	115,455	397,096
LINEN MANUFACTURES—			
Piece goods	1,780,499	1,395,363	2,466,278
Thread	141,057	78,769	145,247
METALS—			
Iron—Pig, &c	199,759	56,097	173,701
Bar, &c.	620,635	93,530	321,584
Railroad	716,538	179,099	486,281
Castings	12,128	2,465	10,365
Hoops, sheets and boiler plates	198,414	35,411	187,839
Wrought	204,994	84,950	137,558
Steel—Unwrought	369,406	164,905	388,956
Copper, wrought	12,983	20,119	29,089
Lead, pig	180,334	25,407	65,642
Tin plates	556,205	464,583	874,989
Oilseed	45,942	1,744	141,268
Salt	21,938	16,094	74,261
SILK MANUFACTURES—			
Broad piece goods	65,708	35,429	92,000
Handkerchiefs, scarfs, &c.	16,729	1,296	6,155
Ribbons	27,538	15,176	21,699
Other articles of silk only	73,377	65,208	75,778
Other articles mixed with other materials	31,788	17,014	42,941
Spirits, British	9,678	1,119	8,174
Wool	37,242	3,152	300
WOOLLEN AND WORSTED MANUFACTURES—			
Cloths of all kinds	667,647	288,221	651,404
Carpets and druggets	259,989	117,102	451,897
Shawls, rugs, &c.	58,306	13,016	27,936
Worsted stuffs of wool only, and of wool mixed	1,767,384	1,283,617	2 838,995

PROVISIONS.

The imports in July were much below last year, notwithstanding that prices continued to rule high at the whole of the British markets. The prices of butter, cheese and bacon were at a high point at the date of our latest advices from Great Britain. The imports in the seven months ending July 31, were of the following magnitude:

	1864.	1865.	1866.
Bacon and hams, cwts	853,495	464,968	496,988
Beef, salt, cwts	236,109	143 850	140,803
Pork, salt, cwts	148,908	118,53	131,681
Butter, cwts	490,357	554,405	545,490
Cheese, cwts	289,317	326,456	271,128
Eggs, number	207,790,320	233,706,240	285,763,960
Lard, cwts	125,336	81,140	205,530

LIVE STOCK.

The imports of live stock have fallen off from last year, arising chiefly from the circumstance that the import of stock with Great Britain from Rotterdam and Amsterdam is still prohibited. In England, the cattle disease has almost died out, but the stringent regulations relating to the cattle traffic are still in operation. Scotland has been declared free of disease. The price of butcher's meat is still very high in Great Britain, and the tendency of the quotations is in an upward direction. The annexed figures embrace a period of seven months:

IMPORTS OF LIVE STOCK INTO GREAT BRITAIN.

	1864.	1865.	1866.
Oxen, bulls and cows	64,186	92,116	86,177
Calves	23,895	27,475	10,957
Sheep and lambs	189,,84	329,074	472,545
Swine and hogs	26,609	49,423	33,899

SHIPPING.

During the month of July, and the seven months ending July 30, the

following number of American vessels entered and cleared at ports in the United Kingdom:

	Number.	Tonnage.
Entered in July, 1866	33	34,688
do 1865	33	36,739
do 1864	50	51,457
Entered seven months ending July 30, 1866	262	267,145
do do do 1865	150	163,827
do do do 1864	252	263,328
Cleared in July, 1866	55	50,070
do 1865	15	15,279
do 1864	30	32,868
Cleared seven months ending July 30, 1866	338	333,398
do do do 1865	173	171,557
do do do 1864	243	268,508

The annexed statement shows the number of vessels, of all nationalities, entered and cleared at ports in the United Kingdom from and to the United States, in the above periods:

	Number.	Tonnage.
Entered in July, 1866	148	126,127
do 1865	57	59,959
do 1864	130	109,420
Entered in seven months ending July 30, 1866	996	908,173
do do do do 1865	292	335,982
do do do do 1864	645	621,253
Cleared in July, 1866	116	118,871
do 1865	78	85,184
do 1864	96	101,101
Cleared in seven months ending July 30, 1866	855	887,617
do do do do 1865	444	517,725
do do do do 1864	733	750,804

ANALYSES OF RAILROAD REPORTS. No. 14.

I. Chicago, Burlington and Quincy Railroad.—II. Boston and Maine Railroad.

CHICAGO, BURLINGTON AND QUINCY RAILROAD.

The several lines belonging to this company have in the aggregate a length of *four hundred* miles and are as follows:

	miles.
Main line—Chicago to Quincy	265
Branch line—Galesburg to Burlington	40
Peoria branch—Galesburg to Peoria	52
Lewiston branch—Yates City to Lewiston	20
Old Line—Aurora to Chicago Junction	13
Total miles owned and operated by company	400

The railroad property of the company, which in its original design, consisted of a road from the junction of the Galena and Chicago Railroad (then so called) about 30 miles from Chicago to Galesburg, 138 miles, now consists of a continuous main line from Chicago to Quincy, 265 miles, and which at Quincy connects with the Hannibal and St. Joseph Railroad extending by its connections (nearly complete) to the Kansas Branch of the Pacific, and which will command a very large share of the business of the northern portion of the United States, which may pass over the route to and from the Western Territories and the Pacific States; and of a branch to Burlington, equally part of a main line between Chicago and that city, where it connects with the Burlington and Missouri Railroad, complete 76 miles and fast approaching completion 56 miles further to near the centre of Southern Iowa, destined also to be a great route across that State; and also of a road from Galesburg to Peoria, 52 miles, with a branch to Lewiston. The business of all these

roads comes upon the main trunk at Galesburg, and passes thence over its length to Chicago. There is also a small part of the original line between Aurora and the junction with the Galena road, 13 miles, not however, of much value. But the two routes to Quincy and Burlington, destined as they are to become great thoroughfares for both business and travel, have great present and greater prospective value; while every mile of road to Peoria and Lewiston also contributes much to the revenue of the Company by reason of the business which they furnish, passing over the main line from Galesburg to Chicago.

The following statements have reference to the operations and revenue of the company for the four financial years ending April 30, 1866.

The rolling stock owned by the company May 1, 1862 and at the close of each subsequent fiscal year is shown in the annexed statement:

	May 1.	Close of Fiscal Year.			
	1862.	1862-3.	1863-4.	1864-5.	1865-6.
Locomotive Engines	69	86	98	105	111
Passenger Coaches	27	30	36	46	54
Baggage, mail and express	13	17	24	25	25
Horse, freight and cattle	815	999	1,334	1,508	1,639
Platform and coal cars	186	200	401	422	442
Drovers, &c., cars	12	30	40	86	36

—not including working cars, the stock of which in April, 1866, consisted of 40 gravel, and 44 rubble cars, and 122 hand cars.

The total mileage of trains was in 1863-4, 1,955,519 miles; in 1864-5, 1,963,105 miles and in 1865-6, 2,083,580 miles.

TRAFFIC ON THE LINES YEARLY.

The subjoined statements exhibit the details of the east and west passenger and freight business of the company for the last four years.

The number of passengers and the direction of travel, with the aggregate mileage were as shown in the following table:

	1862-63.	1863-64.	1864-65.	1865-66.
Through Passengers—Carried East	12,658	15,989	21,360	27,555
" " " West	15,127½	22,733	28,707	35,186
" " " both ways	27,815½	38,723	50,067	62,741
Way Passengers— " East	188,863½	262,055	395,328	422,687
" " " West	185,987	273,148	397,164	453,773
" " " both ways	374,850½	535,203	792,492	876,460
Total Passengers— " East	201,550½	278,044	416,688	450,246
" " " West	201,114½	295,881	425,871	488,958
" " " both ways	402,666	573,925	842,559	939,205
Equiva ent num. of Pas. carried 1 mile	23,358,939	30,609,865	43,406,920	49,670,631

The freight traffic for the same years is shown in the following table:

	1862-63.	1863-64.	1864-65.	1865-66.
Tons of freight—carried East	580,278	523,594	456,835	494,480
" " —carried West	197,458	286,676	280,676	327,403
" " —carried both ways	777,736	809,674	737,511	821,883

—the equivalent number of tons carried one mile having been:

Tons of freight—Carried East	81,298,038	78,624,460	66,494,144	65,036,145
" " " West	26,697,809	38,129,048	41,085,216	48,730,814
" " " both ways	107,995,942	116,753,508	107,579,360	113,766,959

The tons of freight forwarded from and received at Chicago, and the mileage thereof for the same years, was as follows:

	1862-63.	1863-64.	1864-65.	1865-66.
Tons received at Chicago	492,014	487,970	375,590	398,909
Tons forwarded from Chicago	131,907	187,889	210,769	251,465
Received and forwarded	623,921	625,853	586,359	650,374

—and the mileage thereof was thus, viz.:

Mileage of each ton received	77,595,134	74,747,018	62,123,601	59,247,15
" " forwarded	23,408,685	34,491,299	37,381,582	44,444,64
Total mileage	101,003,819	109,238,317	99,505,183	103,691,79

These statements are exclusive of the company's tonnage, which amounted in 1865 to 162,560 (10,675,598 miles,) and in 1866 to 133,019 (9,827,252 miles.)

FISCAL OPERATIONS—EARNINGS, EXPENSES, ETC.

The gross earnings and cost of operating, with the net earnings for the same years, are shown in the subjoined statement:

	1862-63. (210 miles.)	1863-64. (293 miles.)	1864-65. (300 miles.)	1865-66 (400 miles.)
Freight earnings	$1,927,944 79	$2,326,363 58	$3,395,679 45	$4,204,740 82
Passenger earnings	426,417 82	684,374 82	1,158,596 21	1,757,357 99
Mails and other income	58,458 79	79,472 63	133,911 04	213,424 54
Total earnings	$2,412,821 40	$3,090,211 03	$4,688,186 70	$6,175,553 35
Operating expenses	1,072,988 78	1,575,395 00	2,436,147 10	3,020,164 78
Net earnings	$1,339,832 62	$1,514,816 03	$2,252,039 60	$3,155,388 57

The following shows the resources of the company from all sources, and the manner of their disbursement:

	1862-63.	1863-64.	1864-65.	1865-66.
Net earnings as above	$1,339,832 62	$1,514,816 03	$2,252,039 60	$3,155,388 57
Interest and exchange	10,801 15	.....	14,680 36	30,152 17
Balance from Q. & C. R. R.	.....	.....	.....	81,176 06
Balance credit steamer	3,525 63	.....	.....	.....
Inc. credit from last year	1,296,160 64	604,859 38	1,026,093 11	988,401 08
Total resources	$2,650,320 04	$2,119,675 41	$3,292,763 07	$4,255,117 88

—which was disbursed as follows:

Interest on bonds	$324,635 28	$359,139 90	$349,035 14	$421,566 34
Prem. on fractional stock	.....	.....	8,491 61	64 88
Taxes, State	24,359 62	45,619 36	71,846 74	169,619 96
do Internal	15,100 20	38,101 33	176,873 00	322,040 16
Improvements	37,148 95	67,418 86	47,485 09	6,668 68
Rents of tracks and depots	17,074 98	10,081 00	17,921 60	17,457 92
Locomotive account	37,500 00	.....	.....	.....
Transfer office expenses	2,600 00	1,600 00	2,000 00	1,583 33
Interest and exchange	.....	3,101 35	.....	.....
Dividend May 15	.....	229,544 00	262,344 00	418,825 00
do Nov. 15	263,108 00	229,544 00	519,600 00	503,300 00
Stock distribution	946,900 00	.....	745,600 00	1,675,300 00
Transfer to sinking fund	437,023 63	109,437 50	102,664 84	129,000 00
Balance to next year	604,859 38	1,026,093 11	988,401 08	588,691 55

The stock distributions as above were made at the following dates: November, 1863, 20 per cent., $946,900; November, 1864, 10 per cent., $745,600; and November, 1865, 20 per cent., $1,675,300.—Total, $3,367,800.

FINANCIAL CONDITION—GENERAL ACCOUNT.

The balance sheet is dated May 1, and shows as follows for the four years last past:

	1863.	1864.	1865.	1866.
Capital stock	$5,738,640 00	$6,571,140 00	$8,376,510 00	$10,198,010 00
Funded debt, viz.:				
Old bonds convertible into 8 p. cents.	349,000 00	229,000 00	169,000 00	151,000 00
C. B. & Q. R. R. 8 p. ct. convertible	441,000 00	3,633,000 00	467,000 00	356,000 00
C. B. & Q. R. R. 8 p. ct. unconvertible	3,034,000 00		3,167,000 00	3,169,000 00
C. B. & Q. R. R. 7 per plain bonds	755,000 00	781,000 00	680,000 00	680,000 00
C. B. & Q. R. R. 2d mort. unconvertible	935,500 00	940,600 00	941,000 00	941,000 00
Scrip issued for N. C. 2d mort. bonds	583,093 75	544,581 25	500,968 75	457,406 25
Operating accounts, viz.:				
Unclaimed dividends	1,349 00	1,223 00	1,352 00	1,201 00
Unpaid accounts and pay rolls	18,506 28	178,014 67	88,763 34	71,771 60
Bills payable	1,330 00	194,356 24	.....	.....
Due agents and connecting roads	273,198 30	192,519 32	440,142 55	131,234 18
Sinking fund	437,023 63	546,461 13	649,125 99	778,125 99
Income account credit	604,859 38	1,026,093 11	988,401 08	538,691 55
Total debt	$13,179,500 34	14,837,333 72	16,464,264 66	17,518,440 57

Against which are charged as follows:

Road and Equipment	$12,373,312 78	$13,927,325 23	$15,055,252 87	$15,447,761 72
Materials and fuel on hand	170,678 11	581,756 56	587,057 28	395,538 52
Steam ferry and wharf boats	17,853 36	.....	....	26,767 08
Chicago teams	.....	.....	.....	4,500 00
Accounts and bills receivable	45,097 43	92,106 34	111,778 13	82,116 35
Burl. & M. River R R. preferred Stock	.....	.....	.....	59,976 59
Due from agents and connecting roads	126,100 43	159,652 22	226,090 09	115,324 06
Due on account N. Cross Railroad	.....	.....	.....	270,000 00
Dividend declared and tax thereon	.....	.....	.....	536,473 66
Deposits in N. Y., Bost. and Treasury	446,508 18	126,998 37	490,521 43	348,317 71
Deposit with Sinking Fund	.....	.....	102,664 86	221,664 86
Total credit	$13,179,500 34	$14,287,838 72	$16,464,264 66	$17,518,440 57

PROPORTIONAL DEDUCTIONS.

The following tab'e shows the cost of the road per mile, the gross earnings, expenses and net earnings per mile, the ratio of expenses to earnings, and of net earnings to cost of road, and the rate of dividend for each of the four last past years:

	1862-63.	1863-64.	1864-65.	1865-66.
Cost of road per mile	$34,066	$38,967	$37,633	$38,619
Gross earnings per mile	11,489	10,547	15,627	15,439
Operating expenses per mile	5,109	5,376	8,145	7,550
Net earnings per mile	6,380	5,171	7,482	7,889
Expenses to earnings per cent	44 47	50.97	52.13	48.91
Net earnings to cost of road, per cent	10.83	10.87	14.95	20.43
Dividends—cash	nine.	nine.	thirteen.	ten.
" —stock	twenty.	.....	ten.	twenty.

The cost of road is estimated on a length of 363 miles for the two first years, and of 400 miles for the last two years. The earnings and expenses are estimated on lengths of 210 (average), 293, 300 and 400 miles for the years respectively as shown in the original returns. These lengths include the 30 miles of the Galena & Chicago R. R. in use before the completion of the Chicago extension in May, 1864, and for the last year the Quincy line 100 miles.

PRICES OF STOCK AT NEW YORK.

The monthly range in the price of shares at the New York Stock Board for the four years ending, April 30, 1866, has been as shown in the following table:

	1862-3.	1863-4.	1864-5.	1865-6.
May	64¼@ 78	103 @120	126 @142	103 @110
June	75 @ 80	113 @116	126¼@132	104 @108
July	74¼@ 78¼	114 @116¼	126 @132	109¼@112
August	78 @ 87	115 @126¼	127 @131	111 @113
September	85¼@ 96¼	120 @123	117 @127	112 @123
October	100 @119	122¼@131	111 @135	124 @130
November	88 @116	116¼@124¼	115 @120	110¼@115
December	86¼@ 88	115 @117¼	116¼@118	113 @115
January	99 @111¼	118 @129	114 @120	109¼@114
February	105 @110	122 @133	115 @120	112 @113
March	106 @110	131¼@146	100 @116	113¼@115
April	107¼@112¼	132 @149	103 @117	115 @117¼
Year	64¼@119	103 @149	100 @142	103 @130

BOSTON AND MAINE RAILROAD.

The Boston and Maine Railroad is one of the two great lines (the Eastern Railroad being the other) which, in connection with the Portland, Saco and Portsmouth Railroad, extends from Boston, Mass., to Portland, Me. The roads owned by the company are as follows:

Maine Line, Boston, Mass., to South Berwick Junction, Me		74.26 miles
Branch Line, Junction (3 m. N. Boston) to Medford	2.23	
do Junction (26 m. N. Boston) to State Line	3.61	
do Junction (71 m. N. Boston) to Great Falls	2.95—	8.79 miles
Lines owned absolutely by B. & M. RR. Co		83.05 miles

Danvers RR., S. Reading (9 m. N. Boston) to N. Danvers	9.20	
Newburyport RR., S. Danvers to Bradford & Newburyport	26.97—	37.17 miles
Lines owned and leased by B. & M. R. R. Co		119.22 miles

On the main line and branches of the Boston and Maine Railroad there are 52 miles of second track and siding, and on the Danvers and Newburyport Railroads about 5 miles. Including this, the roads owned and leased by the company have a length of equivalent single track of 176 miles.

Of the main line, 35.78 miles are in Massachusetts, 37.22 miles in New Hampshire, and 1.26 mile in Maine.

The Danvers and Newburyport railroads, in connection with the southern part of the Boston and Maine Railroad, form a continuous line of about 40 miles from Boston to Newburyport, with a branch from Georgetown to Bradford. Both these roads are held under one hundred years' leases—the first from 1853, and the latter from 1860, under such arrangements that the Boston and Maine Railroad Company have no annual rents to pay for their use.

The Boston and Maine Company also operate the Dover and Winnepisseogee (late Cochecho) Railroad under a business contract at an annual rental of $29,000, payable semi-annually—the contract, dated November 1, 1863, to run fifty years from that date. The rolling stock of this company consisted of 3 locomotives, 6 passenger and baggage, 45 freight, and 5 hand-cars, and was purchased by the Boston and Maine Company for the sum of $40,075.

The Portland, Saco and Portsmouth Railroad is leased jointly by the Boston and Maine and the Eastern Companies for ninety-nine years, from January 28, 1843. for an annual sum equal to 6 per cent. on its cost—the two companies sharing equally in the profit and loss of operating.

The rolling stock owned by the company on the 31st of May, 1860 to 1866, has been as follows:

	1860.	1861.	1862.	1863.	1864.	1865.	1866.
Locomotives	32	32	36	33	36	37	37
Passenger-cars	54	54	53	59	56	63	68
Baggage-cars	18	18	19	19	19	19	19
Freight-cars	587	587	585	584	629	766	772
Total cars	659	659	657	656	704	848	854

This enumeration includes the engines and cars used in the company's business on the Portland, Saco and Portsmouth, and the Dover and Winnepisseogee Railroads.

OPERATIONS ON THE ROAD—EARNINGS, ETC.

The following statement shows the miles run by passenger and freight engines with trains, the number of passengers and of tons of freight carried, and the equivalent mileage thereof for the six years closing May 31, 1866:

	1861.	1862.	1863.	1864.	1865.	1866.
Mileage passenger	449,152	409,437	434,669	452,668	470,707	479,996
" frei ht	184,019	168,373	176,805	210,144	243,484	239,654
" total	633,171	577,8 0	611,474	662,883	714,191	719,650
Passengers	1,868,797	1,620,855	1,845,812	2,047,812	2,658,385	2,899,432
" 1 mile	28,308,103	24,642,886	27,878,185	31,519,472	38,920,812	41,021,907
Tons of freight	273,440	193,366	289,718	2'1,209	275,149	319,396
" 1 mile	7,551,842	5,552,110	6,433,817	7,991,209	9,046,959	9,589,911

The earnings and expenses of operating the road in the same years are given in the following statement:

	1861.	1862.	1863.	1864.	1865.	1866.
Passengers	$548,731	$457,483	$571,654	$687,347	$824,701	$943,222
Freight	341,780	249,034	398,151	359,266	394,088	519,006
Rents	12,345	13,3 2	20,971	18,967	25,509	18,730
Mails	9,735	10,623	10,466	9,984	11,992	11,104
Interest and dividends	8 559	2,956	21,338	8,866	14,729	19,097
Por land, Saco & Portsmouth RR.	9,000	....	23,500	32,500	30,000	10,000
Total earnings	$930,151	$732,428	$1,045,980	$1,116,930	$1,295,969	$1,521,159
Operating expenses & other expenses	529,728	442,021	516,943	654,500	923,801	1,098,678
Earni'gs less expenses	$400,423	$290,407	$429,038	$462,430	$367,168	$424,486
Dividends paid	311,677	249.342	342,522	338,614	347,121	390,185
Balance: credit of income	$88,746	$41,065	$86,516	$123,816	$20,047	$34,300
Balance from previous year	499,116	587,862	628,927	715,443	838,612	858,659
Undivided earnings	$587,862	$628,927	$715,443	$838,612	$858, 5	$892,959

The undivided earnings account is properly a balance of accounts—the stock and liabilities being less than the cost of the road, equipment and other assets by an equal amount. It represents in fact the amount of earnings put into construction, &c., and can only be made available by a distribution of stock to the shareholders, which is their legitimate due.

GENERAL ACCOUNT—ABSTRACT OF BALANCE SHEET.

The financial condition, as exhibited on the general ledger at the close of each fiscal year, is shown in the following statement:

	1861.	1862.	1863.	1864.	1865.	1866.
	$	$	$	$	$	$
Share capital	4,076,974	4,076,974	4,076,974	4,076,974	4,076,974	4,076,974
Sundry balances	59,671	49,010	58,472	81,764	91,944	108,177
Deposit & amount payable on ac't of Newburyport RR. bonds	7,640	4,140	4,140	4,140	4,140	3,650
Notes payable	94,239	22,000	....	....	....	....
Tax on dividend	....	....	5,079	5,079	9,889	11,277
Dividend payable July 1	145,450	124,671	166,228	164,228	164,228	205,285
General reserve ac't—undivided earn's.	587,862	628,927	715,443	838,612	858,659	892,959
Contingent account, &c	....	....	....	....	....	97,969
Total	4,964,196	4,905,722	5,026,336	5,168,637	5,205,585	5,396,291

—against which are charged the following, viz.:

	$	$	$	$	$	$
Construction	3,881,370	3,880,370	3,880,350	3,883,171	3,883,171	3,966,254
Equipment	426,575	412,569	400,463	468,388	506,481	446,557
Property accounts	107,915	82,079	79,058	104,390	134,537	140,494
Cash & acc'nts current	76,966	59,404	194,581	242,063	208,400	359,571
B. and M. RR. stock	50,000	50,000	50,000	50,000	50,000	50,000
Danvers RR. bonds	71,000	71,000	73,000	73,000	73,000	73,000
Danvers RR. land damage account	758	758	....	....	....	....
Danvers RR., as per agreement	25,000	25,000	25,000	25,000	27,250	27,250
Newburyport RR., as per agreement.	300,000	300,000	300,000	300,000	300,000	300,000
Gt. Falls & Conway RR. bonds	20,000	20,000	20,000	20,000	20,000	20,000
Suspense account	4,612	4,543	3,584	2,0 5	2,727	3,226
Total	4,964,196	4,905,722	5,026,336	5,168,637	5,205,585	5,396,291

The following, from the annual report for 1865–66, is a cheering comment on the past history of this company: "It is now thirty years since the first portion of this road was put into operation—the branch between Andover and Wilmington. Twenty years have elapsed since the road was fully completed from South Berwick Junction to Haymarket Square, in Boston—a distance of somewhat less than 75 miles. It is more than fifteen years since any new shares have been issued by the corporation. The number of shares actually sold, and on which dividends have been made, since 1850, is 41,557. These were sold for $4,076,974.52—a dis-

count from their par value of $78,725.48. This is the actual capital derived from stock. Since that time, the road has been kept in good running order, and has been greatly improved. The engines have been increased very considerably in number and efficiency. We have more cars of every description, and of superior workmanship. Until after 1850 the gross revenue never amounted to the sum of $600,000 per annum. It has gradually and steadily increased from that time to the present, except in times of great depression in business, as in 1857–58, and 1861–62." And speaking of the results of the last past year, the report says: "Upon a full review of the operations of the corporation for the past year, your directors have no hesitation in expressing their undiminished confidence in the value of your investment. The experience of every year tends to increase this confidence." Perhaps no better criterion of the truth of these remarks can be presented than an exhibit of the dividends that have been paid to the stockholders since the first partial opening of the road. These have been as shown in the following statement:

DIVIDENDS PAID BY THE COMPANY.

1—Oct. 1838..pr ct.....	3	20—Jan. 1848..pr ct.....	5	39—Jan. 1858..pr ct.....	3
2—Apr. 1839.....	3	21—July "	4½	40—July "	3
3—Dec. "	4	22—Jan. 1849.....	4	41—Jan. 1859.....	3½
4—Apr. 1840.....	3	23—Jan. 1850.....	5½	42—July "	4
5—July "	1½	24—July "	3	43—Jan. 1860.....	4
6—Jan. 1841.....	3	25—Jan. 1851.....	3	44—July "	4
7—July "	3½	26—July "	3½	45—Jan. 1861.....	4
8—Jan. 1842.....	3½	27—Jan. 1852.....	3½	46—July "	3½
9—July "	3	28—July "	3½	47—Jan. 1862.....	3
10—Jan. 1843.....	3	29—Jan. 1853.....	3½	48—July "	4
11—July "	3	30—July "	4	49—Jan. 1863.....	4
12—Jan. 1844.....	3	31—Jan. 1854.....	4	50—July "	4
13—July "	3	32—July "	4	51—Jan. 1864.....	4
14—Jan. 1845.....	3½	33—Jan. 1855.....	4	52—July "	4
15—July "	3½	34—July "	3	53—Jan. 1865.....	4
16—Jan. 1846.....	3½	35—Jan. 1856.....	3	54—July "	4
17—July "	3½	36—July "	3	55—Jan. 1866.....	5
18—Jan. 1847.....	3½	37—Jan. 1857.....	3	56—July "	5
19—July "	4	38—July "	3		

From the above it will be seen that only one dividend period has been passed in the twenty-eight years included in the table, that of July, 1849, and even that was compensated for by a double rate in January, 1850.

RECAPITULATION AND DEDUCTIONS.

In the following two tables will be found a recapitulation of the cost of the road and equipment, and the earnings and expenses for the last six years; and, also, certain proportional deductions therefrom. The primary figures are shown in the statement which follows:

Fiscal year ending	Cost of road and equipments.	Gross earnings.	Expenses and charges.	Nett earnings.	Dividends.
May 31, 1861.....	$4,307,945	$930,151	$529,728	$400,428	$311,677
" 1862.....	4,292,939	732,428	412,021	320,407	249,342
" 1863.....	4,280,813	945,980	516,942	429,038	342,522
" 1864.....	4,351,559	1,116,930	654,500	462,430	338,614
" 1865.....	4,389,652	1,295,969	928,801	367,168	347,121
" 1866.....	4,412,811	1,521,159	1,096,678	424,486	390,186

From the above the following deductions are made, based on the length of the company's owned roads aggregating 83 miles.

Fiscal year ending	Cost of road per mile	AMOUNT PER MILE. Earn'gs.	Expenses.	Profits.	Expenses to earnings.	Profits to cost of road.	Div. p.c.
May 31, 1861.....	$51,908	$11,206	$6,382	$4 824	5 00	9.29	6
" , 1862.....	51,782	8,824	5,328	3.496	60. 8	6 76	6½
" , 1863.....	51,576	11,397	6,22	5,1.9	54.64	10 02	8
" , 1864.....	52,424	13,457	7,885	5,572	58 59	10.62	8
" , 1865.....	52,887	15,614	11,190	5,444	71 69	10 25	8
" , 1866.....	53,166	18,327	13,213	5, 14	72.09	9.69	9

These figures cover and overlap one year, the war period.

MARKET PRICE OF COMPANY'S STOCK.

The annexed is a statement showing the monthly range of price of the stock of the company at the Boston Stock Board for four years:

	1862–63.	1863–64.	1864–65.	1865–66.
June	110¼@114	123¼@127	134 @139¼	109 @114
July	109¼@112	124¼@126	136¼@140	109 @112¼
August	110 @114	123¼@125	137 @139	112 @113¼
September	113 @115¼	125 @128	135 @138	114 @ 15¼
October	116 @123¼	127¼@129	135 @137	114 @117
November	121 @123¼	126 @'30	126¼@131	115¼@119
December	121 @ 127¼	126 @129	125¼@132	114 @118¼
January	123 @135	124 @128	124 @126¼	114¼@117¼
February	131 @135	1 5¼@132	118 @124¼	117 @118¼
March	121 @135	131 @ 34	106 @120	116 @118¼
April	12' @126	132¼@134	109 @117	119 @123
May	125 @128¼	133¼@137	113 @116	119 @123
Year	109¼@135	123¼@137	106 @140	109 @123

DEBT, FINANCES AND POPULATION OF WISCONSIN.

The exhibit of the financial condition of the State of Wisconsin for the official year ending September 30, 1865, is just published. From this document, and the four preceding annual statements, we have obtained the figures given below.

STATE DEBT.

The ordinary State debt is expressly limited by constitutional provision to a sum not to exceed $100,000, except in case of invasion, or for the suppression of rebellion. Such was the sum total of State issues up to May, 1861, when the Legislature (assembled in extra-session) voted a war loan of $1,000,000, and at the regular session of 1862 a further loan of $200,000. In 1863 still another loan or an issue of certificates of indebtedness not exceeding $350,000 was authorized, and also a loan of $50,000 for the purpose of defraying extraordinary expenditures in the enlargement of the State capitol. Other laws were passed authorizing temporary loans from the trust funds, for which certificates were issued and deposited with the State Treasurer. The issues for war purposes under these several authorizations were as follows: In 1860–61 bonds to the amount of $951,500; in 1861–62, bonds to the amount of $473,100; in 1862–63, bonds $75,400, and certificates $220,000—total, $295,400; in 1863–64, certificates $385,000, and in 1864–65, certificates $623,000. These sums amount to an aggregate of $2,728,000. Of this amount there has been redeemed by returning to the Bank Comptroller the circulation of discredited banks (authorized by chapter 282, laws of 1865) State bonds to the amount of $548,800, deducting which from the above aggregate, left the whole outstanding indebtedness of the State on the 30th September, 1865, at $2,179,200, or including interest receipts ($376,011) issued for discredited currency, at $2,555,211.

Of this indebtedness there was held at the date named the sums (as follows) by the

School Fund	$1,000,700
University Fund	58,000
Normal School Fund	273,000
Amount due Trust Funds	$1,331,700

Bank Department for State Banks	77,900
" " for banks assigned to the State	57,500
Insurance Companies on deposit	366,000
Corporations and Individuals	348,800
Currency—Interest-bearing Receipts	376,011
Aggregate debt	$2,555,101

The details of this indebtedness together with the amounts originally issued are shown in the following statement:

	Issued.	Out-standing.		Issued.	Out-standing.
Bonds due 1867	$250,000	$229,000	Bonds due 1886	$ 00,000	$17,000
" " 1868	50,000	50,000	" " 1887	100,000	52,000
" " 1877	100,000	72,700	" " 1888	100,000	68,000
" " 1878	100,000	46,500	Certifi. " 1893	150,000	150,000
" " 1879	100,000	15,000	" " 1894	100,000	100 000
" " 1880	100,000	65,000	" " 1895	100,000	100,000
" " 1881	100,000	58,000	" " 1897	100,000	100,000
" " 1882	100,000	45,000	" " 1898	100,000	100,000
" " 1883	100,000	54,000	" " 1899	50,000	50,000
" " 1884	100,0 0	7 ,000	Tem Loans 1866	528,000	52 ,890
" " 1885	100,000	57,000	Int. Rec'pts 1866	.....	376,011

In this exhibit and the previous one the total debt appears to amount to $110 more than in the first statement; but this is so in the original.

The great bulk of the bonds authorized during the war had to be sold at a time of extraordinary depression in the stock markets. U. S. six per cent. bonds were selling at 84½ per cent.; Illinois six per cents at 77, and Michigan seven per cents at 82. The State Treasurer says that there was no option with the Loan Commissioners as to the time of selling the bonds. The necessities of the Commonwealth were such, that they had to be sold for whatever could be obtained. The law directed the Loan Commissioners to negociate and contract for a loan or loans, on the most favorable terms which, in their judgment, could be obtained. Finding insurmountable obstacles in the way of raising the money in New York, the bonds were finally sold to the Wisconsin banks at what was called par; 70 per cent. to be paid on delivery of the bonds, and the remaining 30 per cent. in semi-annual instalments of one per cent. Eight hundred thousand dollars were disposed of on these terms. The next sale was made on similar terms, except that eighty per cent. was paid on delivery. Subsequent sales were all made at par, the whole amount paid on the delivery of the bonds. It was never supposed that the entire 30 per cent. left unpaid in the first sale would in all cases be paid. By the terms of the bonds given by the banks to secure the payment of this 30 per cent., the billholders were first to be fully protected. In quite a number of cases, in closing up banks, there has not been enough realized to redeem the circulation and pay the 30 per cent. bonds in full; yet, notwithstanding these losses, the State has realized, in the aggregate, on all the bonds sold during the progress of the war 88 per cent. There is due from banks still in good credit, on the thirty per cent. bonds, $41,620. The banks which have assigned their bonds to the State, as provided by chap. 282, laws of 1865, have also assigned the benefits of their lost circulation, and the Treasurer thinks that enough will be realized from these two sources to make the aggregate receipts for the bonds sold ninety-two per cent.

VALUATION AND TAXATION.

The subjoined statement exhibits the quantity of taxable land and the value thereof, together with the valuation of city and village lots and

personal property, with the amount of taxes levied thereon for State purposes for the years 1860–65, both inclusive:

	Acres of land.	Valuation. Land.	City, &c. lots	Personal.	Aggregate.	Taxes levied.
1860	17,616,174	$115,377,397	$41,178,377	$27,506,761	$184,062,536	$342,031
1861	17,792,854	118,022,305	38,721,727	25,318,504	180,062,536	340,492
1862	17,296,631	120,579,322	37,596,038	24,331,861	182,507,222	599,251
1863	16,845,874	96,156,354	31,433,779	25,481,640	153,071,773	382,130
1864	16,845,496	93,039,611	32,916,999	26,982,719	152,939,329	726,561
1865	17,563,316	91,458,693	33,151,291	32,811,313	157,416,297	900,375

The taxes above stated are those for the service of the next succeeding year. Regarding the diminished valuation after 1862, it is proper to observe that the diminution was, in a great measure, the result of a change in the assessment law.

RECEIPTS AND DISBURSEMENTS.

The following statement exhibits the receipts into the treasury on account of all the funds and the disbursements on all accounts yearly, for the years ending Sept. 30, 1861–1865, both inclusive:

	1861.	1862.	1863.	1864.	1865.
Balance from previous year	$187,301	$343,961	$312,217	$397,926	$107,621
Receipts	1,674,234	1,732,474	2,636,889	2,152,723	4,188,746
Total resources	$1,861,535	$1,976,405	$2,949,106	$2,550,648	$4,296,367
Disbursements	1,617,604	1,664,188	2,581,180	2,443,027	4,061,877
Balance to next year	$243,931	$312,217	$367,926	$107,621	$234,490

The above statement includes the several trust funds which are no charge upon the State. It also includes the Allotment Fund (so called), which is simply an agency through which the soldier in the field was enabled to send to his family at home a portion of his pay. Transfers from one fund to another have also been large, and of course to that extent have duplicated both sides of the account. Again, loans have been made, and in some part repaid. Allowing for all these, it is obvious that the actual receipts and payments have been much less than exhibited above, and to obtain them approximately, at least 25 per cent ought to be deducted from the statement yearly.

POPULATION.

Wisconsin enumerates her people every ten years, at a period intermediate with the successive Federal enumerations. The last taken, under State auspices, and recently published, was that of 1865, being the third in succession of the decennial series. We find among a number of other State documents transmitted to us by his Excellency Lucius Fairchild, Governor of the State, a copy of this last census report.

When the late war broke out, and the calls for men to fill the ranks of the National army were responded to from every farm and workshop, the cry of "depopulation" was heard from all quarters. The progress of hostilities but increased the draft, and the prevailing idea became intensified. And yet, when the result is obtained it is found that instead of there being any deficit in the last five years' account, some of the States, Wisconsin for instance, show a generous increase. How shall we account for this result? It is certain that at least a moiety of our young men went to the "front" during the four years covering the period of the war. But it must also be remembered that the number of absentees from their homes at any one time was never more than a third of the aggregate number that entered the armies. In fact, we may say that communities everywhere were divided into watches that relieved each other at stated or irregular periods, and hence, with the exception of those who fell in battle or by sickness, the mass was not seriously or permanently diminished. For the absolute losses

the compensation was an increased immigration from foreign countries, tempted hither by the freedom from conscription which the new comers were promised and the large wages accorded to labor of all kinds. Other compensating agencies were found in the early marriages which obtain in this new country and the abundance of food, which favors not only these personal associations, but also fosters a rapidity of procreation unknown in thickly-populated countries where the staff of life, in sufficient quantity, is beyond the reach of the working classes. France, for instance, does not increase in as large a ratio in fifty years as does Wisconsin in five years. Marriage in that country is delayed far into maturity, simply on account of wages and that which wages should purchase being inadequate to the wants of the family. No fear of such an unnatural exigency is entertained by the young people of the West, and hence the longer procreative term, by compounding numbers, rapidly fills up the country.

Such have been the active agencies which have sustained Wisconsin (and probably many of her sister States) through the war. In 1860, when the last federal census was had, the population of the State of Wisconsin was 775,881. According to the State census of 1865 it was found to be 868,937. Here we have an increase, notwithstanding war drafts and their naturally expected results, of 93,056, which is equal to an addition of twelve to every hundred of the population of 1860. Some few counties appear to have lost, but generally the increase has been remarkably uniform, though much greater in the urban than in the agricultural districts. The following table will illustrate the latter proposition:

	1860.	1865.	Increase.
Pop. of 9 cities of 5,000 and upwards	92,096	131,512	31.9 p. c.
" 16 cities and villages (2,500 to 5,000)	40,758	59,440	45.9 "
" 9 cities and villages (1,250 to 2,500)	11,291	17,319	53.3 "
Total, 34 cities and villages	144,141	198,271	37.4 p. c.
Agricultural districts	631,736	670,666	6.3 "

The tendency of the population to concentrate in cities and villages is here remarkable. Thus while the agricultural population has increased only 6.3 per cent. in the five years (1860–65,) the urban and village population has increased 37 4 per cent. The greater activity of business on account of the war will explain this centralization. Centralized labor was required while the war lasted in carrying on the peculiar commerce created by it. It will be seen however, on reference to the tables of county and city population, (given below,) that the "railroad towns" have most largely partaken of the increase, and this will be permanent, while the increase of the agricultural towns will be re-distributed to its normal localities in the open country.

Below we give the tables showing in detail the results of the census compared with the Federal census. The first gives the population of Wisconsin by counties, and the latter the population of the cities and villages as they were in 1860, and in 1865:

POPULATION OF WISCONSIN, 1860 AND 1865.

Counties.	1860.	1865.	Counties.	1860.	1865.
Adams	6,492	5,698	Manitowoc	22,416	26,762
Ashland	515	256	Marathon	2,892	3,678
Brown	11,795	15,282	Marquette	8,233	7,327
Buffalo	3,864	6,776	Milwaukee	62,518	72,320
Burnett	12	171	Monroe	8,410	11,652
Calumet	7,895	8,638	Oconto	3,592	4,658
Chippewa	1,895	3,278	Outagamie	9,537	11,842
Clark	789	1,011	Ozaukee	15,683	14,882
Columbia	24,441	26,112	Pepin	2,392	3,002
Crawford	8,068	11,011	Pierce	4,672	6,394
Dallas	13 (no ret'ns)		Polk	1,400	1,677
Dane	43,923	50,192	Portage	7,507	8,145
Dodge	42,818	46,841	Racine	21,360	23,8-6
Door	2,948	3,068	Richland	9,730	12,186
Douglas	812	532	Rock	26,690	26,092
Dunn	2,704	5,170	St Croix	5,592	7,255
Eau Claire	3,169	5,281	Sauk	18,963	20,154

Fond du Lac	34,154	42,029	Shawano	829	1,369
Grant	31,189	33,618	Sheboygan	26,875	27,671
Green	19,808	20,646	Tempeleau	2,560	5,199
Green Lake	12,663	12,596	Vernon (Bad Ax)	11,007	13,644
Iowa	18,967	20,657	Walworth	25,496	25,773
Jackson	4,170	5,631	Washington	23,629	24,019
Jefferson	30,483	30,597	Waukesha	26,331	27,429
Juneau	8,770	10,013	Waupaca	8,851	11,206
Keno-ha	13,900	12,676	Waushara	8,770	9 009
Kewaunee	5,530	7,089	Winnebago	28,770	29.767
La Crosse	12,156	14,834	Wood	2,425	2,965
Lafayette	18,134	20,358			
La Pointe	353	269	Total	775,881	868,987

POPULATION OF CITIES AND VILLAGES.

Cities, &c.		Counties.	1860.	1865.
Milwaukee† *	(City.)	Milwaukee	45,246	55,641
Fond du Lac* †	"	Fon du Lac	5,431	12,491
Oshkosh*	"	Winnebago	6,064	10,069
Madison	"	Dane	6,579	9,995
Janesville*	"	Rock	7,641	8,427
Racine* †	"	Racine	7,751	8,041
Watertown*	"	Dodge and Jefferson	5,302	6,682
Sheboygan* †	"	Sheboygan	4,258	5,129
La Crosse*	"	La Crosse	3,894	5,037
Beloit*	"	Rock	4,073	4,880
Waukesha*	(Vill.)	Waukesha	2,169	4,817
Beaver Dam*	(City.)	Dodge	2,765	4,319
Manitowoc †	"	Manitowoc	3,055	4,197
Kenosha* †	"	Kenosha	3,968	4,056
Mineral Point*	"	Iowa	2,386	3,808
Jefferson*	(Vill.)	Jefferson	2,006	3,696
Prairie du Chien* †	(City.)	Crawford	2,370	3,556
Berlin*	"	Green Lake	1,449	3,580
Ripon*	"	Fon du Lac	2,010	3,490
Portage*	"	C lumbia	2,870	3,379
Monroe*	(Vill.)	Green	2,171	3,197
Green Bay* †	(City.)	Brown	2,261	3,261
Waupun*	(Vill.)	Dodge and Fon du Lac	2,110	3,250
Platteville	"	Grant	2,858	3,039
Appleton* †	(City.)	Outagamie	2,327	2,675
Two Rivers	(Vill.)	Manitowoc	1,897	2,469
Oconto	"	Oconto	886	2,215
Lancaster	"	Grant	1,960	2,111
Sparta*	"	Monroe	1,284	1,897
Steven's Point	(City.)	Portage	1,533	1,719
Waterloo*	(Vill.)	Jefferson	1,565	1,719
Hudson	(City.)	St. Croix	1,518	1,468
Wausau	(Vill.)	Marathon	543	1,236
Boscobel*	"	Grant	665	1,249
Horicon*	"	Dodge	....	1,196
Mauston*	"	Juneau	....	767
Juneau*	"	Dodge	....	539
Total			144,145	198,271

The progress of Wisconsin in population since 1860, large as it has been under the retarding influences of a war period, has probably not exceeded that of the whole country. Notwithstanding the Depew census taken in 1865, no one believes that the great State of New York has been either retrograding or standing still. In Iowa, the report of the new census, a copy of which has just reached us, shows the population in 1865 to have been 754,732, whereas in 1860 it was only 674,913, being an increase in five years of 79,819, or 11.8 per centum, about the same as in Wisconsin. Taking this ratio of increase as that of the whole country, we will find that our aggregate population, which numbered in 1860 31,443,321, had increased in the five years ending June 1, 1865, to 35,216,519, or, in round numbers, the population of the United States was, at the date specified, 35,000,000. This increase, though somewhat inferior to that shown in the decennial periods previous to the war, is, nevertheless, highly encouraging. It indicates an existing strength in the country, a recuperative power which gives great promise for the future.

* Railroad cities and villages. † Lake cities, &c. ‡ Mississippi cities, &c.

EXTENSION OF TEA CULTIVATION.

The Darwinian theory, in the attempt to explain some of Nature's mysterious laws, refers their solution to the natural selection of species, and represents the various families of animal creation as engaged in one life long—we might almost say perpetual—struggle for existence. The legend of Ormuzd and Ahriman, in Persian mythology, and of Vishnu the creator, and Seeva, the destroyer, in the mythology of the Hindoos, is typical, no doubt, of the two great agencies of Nature—the production of life and its distruction. But it is not only here that we find proofs of this innate antagonism; we see evidence of its existence in the vegetable kingdom. With less of poetical sentiment, but more practical directness, we recognise this struggle as one between production and consumption. To determine in what way, and to what extent, these two important elements act and re-act upon each other is a question affecting perhaps more than any other the welfare of the human race; and a consideration of some of the points bearing upon the question, though in the present instance having a more immediate reference to tea, may be regarded as not out of place in a journal professing to deal exclusively with articles of produce. At first sight it would appear as if no reliable relation between consumption and production could be established, from which conclusions might be deduced; for whilst the power of consumption might be presumed to be almost limitless, bounded in fact only by the extent to which population itself may be increased, it is as confidently believed that production could only be carried on under narrower limits, restricted by considerations of temperature, soil, and human labor. It is, however, easy to check consumption by prices, and statesmen, when they thought that if an impost upon any article of prime necessity were doubled, the revenue accruing from this impost must also be doubled, were arguing upon a fallacy. The possibility of a decrease in the consuming power was tacitly disregarded by them, and it is only within a comparatively recent period that the magnitude of the error underlying the assumption has been comprehended to its full extent, and the superior productiveness of low duties admitted as a fact without reserve or qualification, And, perhaps, at the present day, these antiquated and fallacious maxims might hold good, had it not been for the aid brought to bear upon the subject by statistical science, a science without which no study can be deemed profitable, no theory complete. Whilst opinions so erroneous prevailed on the subject of consumption, it was not likely that the views generally held on production should be more enlightened, and we find, accordingly, the most timid, and perhaps to some minds even alarmist, views on the subject of nature's productive powers. Of such a character was the opinion recently promulgated, as to the probable scarcity of coal within our island; and such, too, are the views put forward from time to time with regard to our future supply of tea—in all sincerity doubtless, but with a somewhat partial and exaggerated estimate of things as seen from one point of view exclusively. That increasing consumption brings with it an increasing production is surely as much a familiar fact as that an extended cultivation, by introducing competition, and so lowering prices, will encourage increased consumption. But to assert that consumption is overtaking production, or, what is the same thing, that production will fall short of the demand made upon it, is very much like

saying that the hinder wheels of a carriage must before long overtake the front wheels. The fact is, that these two agencies—consumption and production—are so inextricably interwoven in their action upon each other that it is impossible to estimate with exactness the precise value of the one without considering it in its relation to the other. As contrasted with animals of a lower organism, man is distinguished by his ability to live and thrive under the most opposite conditions of climate and temperature, from the poles to the equator; and this universality of existence is shared to almost the same extent by those plants and herbs which are more immediately necessary to his subsistence, such as corn, the potato, etc. Before long we may even be in a position to include tea in this list, as its cultivation is now being attempted in all quarters of the globe, in Asia, Australia, Africa, and America, and it has also been attempted in Southern Europe, with results which gave strong hope of its profitable introduction into Spain and Italy. We propose to show that China is not the only place from which we can obtain our tea supplies. We do not mean to say that tea could be immediately produced in marketable quantities wherever the climate is suitable; but that, in the course of time, if prices were sufficiently tempting, we might become independent of China and Japan. Putting aside India, which could supply not only England, but the whole world with tea, we turn to other parts of the world where, as yet, tea cultivation is only an experiment:—"The important experiment of testing the climate and soil of South Australia, as regards their suitability for the China tea plant," says the Melbourne *Register*, "is about to be made on a somewhat extensive scale. The Government have agreed to pay Mr. Sterndale, who recently brought a quantity of tea seed to the colony, the sum of £50 for one hundred weight of the seed, and they have instructed Dr. Schomburgh, superintendent of the Botanic Garden, to sow and distribute it, with the view of fairly testing its adaptability to this country. Accordingly, it has been determined by the governors of the Botanic Garden that one-half of the quantity shall be sown in the grounds of that establishment, and that the other half shall be distributed in various parts of the colony."

In South Africa, the experiment of tea cultivation seems to have been attended with the most complete success: "In another column," says the *Natal Mercury* of July 3rd, 1866, "will be found an advertisement offering for sale the first tea trees imported into the colony. That soil or climate is no bar to the successful production of tea in Natal these trees will abundantly prove. They were imported about ten years ago, and were then small plants, bearing from ten to fifteen leaves each, and since then have grown like native bushes, until they are now thick shrubs from six to eight feet high, and as much through. A small sample of tea made from these plants, with unsuitable appliances, was sent with the Natal collection to the London Exhibition in 1862, and obtained an award of commendation from the jurors. We should be glad to see this enterprise taken up with energy, now that an opening presents itself, and the article of tea added to the staple products of the colony."

And fifteen years ago an American author, Francis Bonynge, descanting on the future wealth of the United States, and the possibility of a decline in the cotton trade, proposed the substitution of tea, coffee, or indigo, in the place of the cotton plant. After an elaborate comparison between

China and America, considered with respect to climate, soil, and the price of labor, Mr. Bonynge comes to the conclusion in which we fully concur, that in the event of any considerable reduction taking place in the price of tea, Europe, or we might say, England, could consume five or six hundred millions pounds of tea as readily as the one hundred millions, the quantity which represents our annual consumption. Mr. Bonynge goes on to prove that its production in America could be profitably carried on at as low a sum as 2¾ to 3¾ cents per lb.—an opinion which we are not prepared to endorse so unhesitatingly. It is but fair to Mr. Bonynge to admit that his remarks upon the suitability of America for the cultivation of the tea plant are curiously corroborated by one of the most eminent of modern botanists Professor de Candolles, from whose address, delivered this year at the Horticultural Exhibition at Kensington, we quote the following remarks:

"Botanical geography shows in the clearest manner the analogy between the vegetation and climate of certain regions; and, just as a celebrated geologist was able to say, beforehand, there was gold in such a part of New Holland, and gold was found there, so could the botanist say with equal certainty that the olive tree and the cork oak would succeed in Australia; that the eastern and temperate region of the United States was favorable to the growth of Chinese plants, more particularly to that of tea; and that that part of America included between San Francisco and the Oregon territory would, one day, supply wines as varied and as excellent as those European ones produced between Portugal and the Rhine. It is a singular fact that the two principal beverages of the civilized world, wine and tea, which produce similar stimulating effects, and which to a certain extent are the substitutes one for the other in different countries, present also in the mode of cultivating them the most marked resemblances and differences. The vine and the tea plant succeed best on stony, barren hill-sides. The two shrubs require a temperate climate, but the vine needs heat, and no rain during summer, whilst the tea-plant requires rain, and but little summer heat; the result of which is that these two species are almost geographically incompatible. Vine-growing countries will never produce tea, and *vice versa*." The experiment which Mr. Bonynge so warmly recommended had previously been tried with the most encouraging prospects of success by Dr. Junius Smith, in the year 1849, in South Carolina. Upwards of 500 plants of from five to seven years' growth were imported from China and India; and it is interesting to know that the general characteristics of the plant remain unchanged by the new climate and soil, and that the "leaf puts out at the same period of the year that it does in China." (Simmonds' *Commercial Products*, p. 96). Dr. Smith estimated that he could produce tea in America at as low a price as 5d per lb. whilst the average cost in China at the ships's side is at least 10d per lb. This excessive cost, that is, apparently excessive, when contrasted with Dr. Smith's moderate estimate, arises almost wholly from the expensive nature of the means of transport, and the want of proper machinery. "In America," says Simmonds, the authority just quoted, "the beating and rolling of the leaves, one half of the labor, could be done by the simplest machinery, whilst the fuel could be economised by mean of flues." It has been suggested too, with great plausibility, that it might be cultivated with success

and, at the same time, develop the vast resources of these South American republics.

MORGAN'S PROCESS.

"The preservation of meat by Mr. Morgan's process can hardly be said to have gone beyond the stage of experiments, which have, however, been attended by the most signal success, and it is a source of regret that the working of the system should not have been more actively followed up, as all samples of the meat already forwarded to Liverpool have been eagerly purchased. Since the month of May of last year, when operations were commenced, five hundred thousand pounds of beef and mutton have been shipped to Liverpool, and met with a ready sale at four-pence per pound. The price, it is calculated, will be barely remunerative, owing to the heavy expenses attendant on the establishment of a new business, but it is believed that it will leave a fair profit when once the working is established.

"Mr. Morgan's process is based on forced inflirtation, and he has adopted the circulatory system of the body as a means of introducing the brine into the tissues. The method is simple, demands but little labor, and no expensive machinery. The animal, if a sheep, is killed by a blow on the head, if an ox, by the insertion of the point of a knife at the back of the head, which severs the spinal cord and causes instantaneous death. The chest is then sawn open and kept so by a cross piece of wood, and the heart is exposed. An incision is made in the right ventricle and another in the left, the bloed being allowed to escape: when it has ceased flowing, a pipe with a stopcock is introduced into the incision on the left ventricle of the heart, and so into the aorta or great vessel leading through the body, and is there firmly retained. This pipe is connected by a putta percha flexible tube to a barrel containing the fluid to be injected, which is composed of water and salt (one gallon of brine to the cwt..) and a quarter to half a pound of nitre, carefully refined, and fixed at an attitude of from eighteen to twenty feet.

"The briny fluid being let on rushes out at the right side of the heart, after traversing all the circulatory organs, clearing the vessels and capillaries, and preparing the body for the second stage, which is performed by closing the incision in the right side of the heart with a sliding forceps, and thereby rendering the circulatory system perfect with the vessels free and ready to receive the preservative fluid. A few seconds suffice for the brine to infuse the whole body, when, by cutting the ear or hoof of the animal, a stream of clear pure brine, untainted by a single particle of blood, will instantly be seen to flow. An ox can be preserved in ten minutes, the pressure of the injection being from ten to twelve pounds to the square inch, and from twelve to fourteen gallons of the fluid are injected: of course, considerable less in a sheep."

LIEBIG'S PROCESS.

"Near the small town of Fray-Bentos, La Plata, is the establishment for the working of Baron Liebig's 'Extractum Carnis.' This process differs essentially from that employed by Mr. Morgan, for the meat, instead of being preserved whole, is reduced to an essence, and can consequently only be used as soup or stock. Its strength can be estimated from the fact that thirty-three pounds of meat are reduced to one pound of essence, which is sufficient to make broth for

one hundred and twenty-eight men. A tin containing one pound of this extract can be sold in London for 12s. 6d. Eight small tins will hold the concentrated alimentary matter of an entire ox, at a price of 96s., and will make over one thousand basins of soup—good, strong soup; one tea spoonful to a large cup of water, and either eaten alone or with the addition of a little bread, potato and salt, affords a good repast. The small bulk taken up by this excellent preparation recommends it especially to the army and navy; and its purity and entire absence from grease particularly adapt it to the use of hospitals and invalids Hitherto, the almost exclusive exportation of this excellent extract has been to Germany, where its consumption is already very great; but a new company ('Liebig's Extract of Meat Company [Limited],' 43 Mark Lane) is about to be formed in London, when it is to be hoped that this new article of food will be generally appreciated and adopted.

"The establishment at Fray Bentos will soon be worked on a very extensive scale, and branches formed at Buenos Ayres and Rio Grande, when an average of three hundred and fifty head of cattle to the three places will be slaughtered daily. The process by which the essence of the meat is extracted is simple, though requiring no small amount of labor and machinery. The meat of the animal, after being killed, is allowed to cool for twenty-four hours; it is then placed in round iron rollers (armed inside with points,) which, being revolved by steam, reduce the meat to a pulp. This pulp is thrown into a large vat with water and allowed to steam for an hour, and is then passed into a reservoir (shaped like a trough with a sieve at the bottom,) whence the liquid of the meat oozes into another vat from which the fat is drawn off. The pure gravy is then put into open vats supplied with steam pipes, and with bellows on the surface, which produce a blast and carry off the steam, thus helping the evaporation and preventing condensation. Here it remains from six to eight hours, when it is passed into a filtering vat and drawn off in the form of extract of meat; when cool it partially hardens, and is ready for packing in tins and exportation."

SLOPER'S PROCESS.

"The remaining process to be described is one of great interest, and has been lately patented by Messrs. McCall & Sloper. The patent has been conceded for the whole of South America to Messrs. B. Paris and B. S. Sloper, who are at present at Buenos Ayres actively employed in making experiments, when, should they prove successful, a company will be formed in England for the working of this industry. These gentlemen profess to be able to preserve meat in its fresh and raw state, which is to arrive in England, or elsewhere, in the exact condition as butcher's meat just killed, and be able to dispose of it at the rate of 4d. to 5d. per pound; and that moreover when taken out of the air-tight tins in which it is to be packed, and on being exposed in the air, it will keep twice as long as ordinary butchers' meat. The curing process is simple, and is based on the destruction of oxygen from the vessel in which the meat is packed. All bone is extracted from the meat, but the fat is left. From the tins in which it is placed the air is exhausted by means of water forced in at the bottom, which, when it reaches the top, is allowed to redescend and run off, and the vacuum thus left is filled from above by a certain gas, the composition of which is kept a profound

secret. The two holes at top and bottom are carefully soldered down, and the meat is then ready for exportation The only risk it runs is from leakege, the smallest opening in the tin case proving destructive by allowing the gas to escape and the air to get in."

PETROLEUM IN NEW SOUTH WALES.

We have been favored by Mr. John Mackenzie, formerly of Wigan, whose name is already well known to the readers of the Journal, with a highly interesting account of what is now doing with the Hartley Boghead Cannel Coal. Mr. Mackenzie resigned his appointment of Government Examiner of Southern Coal Fields, so as to be enabled to take up land containing the Hartley Boghead Cannel Coal, and work it (the Government not permitting their officers to embark in private enterprise, and of late also denying them the privilege of reporting on mineral property for private individuals), a satisfactory evidence of the value he attaches to the deposits in a commercial sense. Mr. Mackenzie writes that he learns from the Mining Journal that there is a great excitement about shale in England, and that we have numerous companies commencing to extract oil, now that the supply from the American oil wells is decreasing, and that the Americans have put 10d. a gallon duty on their refined oil. The Hartley Cannel is so rich, and the oil of such excellent quality, that they expect to be able to compete successfully with the refined oil in the English and other foreign markets. The cost of extracting oil, refining it, and delivering it in Sydney, is about 1s. 8d. to 2s. a gallon; but he estimates it at 1s. 8d.

There are four different companies making oil. Messrs. Samuels & Want (Hartley Kerosene Company), from Cannel, yielding 140 to 150 gallons to the ton. The Australasian Mineral Oil Company, who have erected works in Sydney Harbor for extracting and refining oil, &c., and up to within a few weeks have been getting their Cannel coal from Mr Russel's Stony Creek, near Maitland, but they find that the Stony Creek Cannel yields such a small quantity of oil per ton that they are letting the mine, and will have to get Cannel from or near Hartley. The third shale works are those of Mr. Graham, at Wollongong, the shale yielding about 40 to 50 gallons of crude oil to the ton. The fourth is a very small place at Penrith, 34 miles on the Bathurst side of Sydney, where Mr. Wilson gets Hartley Cannel, and extracts and refines the oil from it. Hartley is destined, in his opinion, to be the greatest shale and Cannel coal producing district in New South Wales, or he would not have relinquished his Government appointment to take up land there. His reasons for saying so are, that having been over the greater portion of the New South Wales coal basin, he is of opinion that the Cannel, as rich as it is at Harley, is not very likely to be found in places so conveniently and economically situated for railway transit to the sea coast; and there are not many places where the seam crops out to the day where it could be worked to a profit.

Mr. Mackenzie has inclosed a tracing (which can be seen at our office), showing the land taken up at Hartley by different persons, and the places where the Cannel is proved, and where the seam has changed into stone, ironstone, fireclay, &c. The Great Western Railway will be opened to Hartley in about 12

months from now. The price for taking the refined oil from Hartley to Sydney, a distance of about 74 miles, will, it is anticipated, be 2d. or 3d. per gallon. The seam of Cannel varies very much in its character, like the Boghead Cannel of Scotland, which, from what he had read, appears to be in a patch of 1½ to 2 miles in diameter, and finding other patches in Australia, leads him to think that there may also be other patches in Scotland.

The largest patch at present proved at Hartley appears to be in the Grose, and this Mr. Mackenzie has acquired. The Sugar Loaf Patch is about 21 miles diameter. Mr. Mackenzie's party are now working the Cannel on their 170 acres (or Sugar Loaf Patch), and they had just proved a second seam of Cannel on the same patch, although the seam had only been sought the same morning. It is very curious to see the way other seams of coal gradually change to good Cannel.—*London Iron Trade Circular.*

A WONDERFUL CEMENT FOR IRON.

A private view of an exhibition of a most interesting character took place about the middle of August, at the Albion Works, Battersea, England. The exhibition consisted of a number of practical illustrations of the uses to which a certain description of cement is applied, having for its principal ingredient more or less of a particular gum or substance, called the Zepipe, which for some years past has been identified with the name of Colonel Szerlemey. It appears to be a most protean substance, for it holds on with wonderful tenacity to timber, glass, brick, cement; and last, though by no means the least of its remarkable qualities, it will unite iron surfaces together as completely as though they were welded. The cement has the quality of being perfectly water and air tight. It can be conveniently used, and hardens with great rapidity. About five minutes is the maximum of time required for it to harden thoroughly. Of the value of such a material as this for engineering and building purposes it is impossible to speak too highly. Our professional readers will at once perceive a variety of uses connected with railway and hydraulic works to which a material of this kind would be of the greatest possible value. Tunnels and bridges, docks and quay walls, could be constructed by its use in considerably less time and at greatly reduced cost; and with respect to sewers, an immense improvement would be effected in employing a material on which fluids produce no impression. Platforms and railway stations could be provided of equal strength to the present and with less consumption of materials. The invention is one of that character with respect to which there can be no mistake, and any person who sees may judge for himself of the properties of the cement, and we shall be greatly mistaken if some of our large contractors do not very shortly seek to test the practical value of this remarkable "iron cement."

On previous occasions, we have described the remarkable preservative qualities of the Zepipe composition on stone and brick, and the extraordinary effects which the application of one part of the process has upon paper, converting it into a substance harder and more enduring than oak, and capable of being substituted for metals in many of the uses to which they are applied in the arts and manufactures. Following out the line of investigation into the chemical con-

stituents of the substances which he employs, the gallant colonel has now succeeded in producing some results, which, if they had not been shown under our inspection, we should have hesitated to believe possible. By combining various substances which may be readily obtained in large quantities, and at almost nominal prices, the ingenious inventor has made what he calls this: "iron cement," and, truly, it is an iron cement. It is a cement which, easily applied, becomes in a few minutes hard as iron, and, so far as we are aware, this is a quality which is not possessed by any other substance—that of complete and perfect cohesion to iron. At the factory at Battersea, we saw two large plates of iron held together so firmly as to defy all attempts at separating them. The plates had, in several parts, been fractured by the attempt to separate the two surfaces, but they still remain firm and immoveable. Two plates of iron were cemented together in such a manner as that the lower one could have suspended to it the weight of several tons; the projecting corners of the lower plates to which the weights were attached were bent and curved, and the upper and lower plates had "buckled," but they still remained held together by the thin layer of iron cement as though they were but one plate. By the side of this, a plate has been made up of alternate thin sheets of iron and planks of timber, and the wood and the iron adhered as firmly as in the case when iron surfaces only were exposed to the action of the cement. A third test consisted of thin sheets of iron with alternate layers of paper, which had been previously coated with another kind of composition of M. DeSzerlemey's. There, the same wonderful cohesion existed. A sheet of glass was fixed to the edge of an iron bar by this extraordinary cement, and was as firmly held as the iron or wood or prepared paper of the previous experiments with iron and wood. Many other equally curious and startling experiments were shown, and, among these, a novelty in the way of a house some forty feet in length, the sides, flooring, and roofing of which were entirely of paper. The exhibition is certainly a most interesting and instructive one.—*London Exchange.*

PROPOSED WATER SUPPLY FOR LONDON.

At present a large portion of the water used in London, amounting to one hundred and eight million gallons daily, is obtained by pumping from rivers, streams and wells, by means of steam engines. The strength of the engines so employed is ten thousand seven hundred and ninety horse power. It is now proposed to abandon several of the existing water works, and to bring a supply equal to the wants even of the three million persons who now reside in London, and of the four million five hundred thousand persons who are expected to reside there at the end of the present century, from the sources of the river Severn and the mountains of Wales across the whole breadth of England.

A plan of water supply for London just put forward by Mr. John Frederick Bateman, C. E., is to construct an aqueduct from Marten Mere, on the borders of Wales, to the high ground about ten miles north of London. This aqueduct is to be one hundred and eighty-three miles in length, and of sufficient size to convey a supply of two hundred and twenty million gallons of water to London daily, which is equal to twice the present supply. The lowest point in the res-

ervoirs from which this aqueduct is to be fed on the Welsh border is to be four hundred and fifty feet above the level of Trinity high-water mark. This aqueduct is to be conducted across the river Severn close to the town of Bridgenorth, and to pass near to or within a few miles of the Stourbridge, Bromsgrove, Henley on-Arden, Warwick, Banbury, Buckingham, Aylesbury, Tring, Berkhampstead and Watford. The aqueduct is to end at Stanmore, a few miles north of London, where extensive service reservoirs are to be constructed at an elevation of two hundred and fifty feet above Trinity high water mark. From these reservoirs the water will be delivered to the city at "high pressure," and under a constant supply, amounting, when all the works are completed, to two hundred and twenty million gallons a day. The cost of supplying the quantity of one hundred and thirty million gallons a day to London is estimated at £8,600,000, and that of supplying the total quantity of two hundred and twenty million gallons at £10,850,000. The existing London water works cost £8,614,212; they produce a gross income of £702,059, and a net income of £404,585.

The works will be exceedingly simple in their construction, presenting no difficulties of an engineering character. No embankment or reservoir will be more than eighty feet in height. One of the reservoirs on the river Vyrnwy will, by an embankment seventy-six feet in height, form a lake five miles in length, and will contain one thousand and eighty-nine million cubic feet of water. Another, on the river Banw, by an embankment eighty feet in height, will form a lake four miles in length, and contain nine hundred and forty million cubic feet, and a third in the same district, by an embankment of the same height, will contain seven hundred and thirty-two million cubic feet. Amongst the reservoirs on the river Severn will be one which, by an embankment seventy-five feet in height, will contain two thousand two hundred and thirty million cubic feet of water, being fifty times greater than the available water in Loch Katrine.

CENSUS OF IOWA.

The census of Iowa for 1865 has been transmitted to us by His Excellency William M. Stone, Governor of the State. Besides the population by townships the volume contains the agricultural statistics for the same year and miscellaneous returns of schools, &c. As a mark in the progress of the State it is an important document.

Iowa is one of those States which has sprung up from the Western wilderness in a very few years. Thirty years ago, its inhabited portion was confined to the vicinity of Dubuque. In 1838, it was taken from Missouri and erected into a separate territory and in 1845 had so far advanced in population as to entitle it to admission into the Union. The first recorded census was taken in 1836, in which year there were within the limits of the territory covering the present State 10,351 inhabitants. Within the same limits in 1865 there were found 754,732 inhabitants. The successive steps towards this development have been as follows:

1836 (State Census)	10,351	1850 (U. S. Census)	192,214
1838 (do do)	22,859	1852 (State Census)	227,726
1840 (U. S. Census)	43,112	1854 (do do)	326,014
1844 (State Census)	71,650	1856 (do do)	502,414
1846 (do do)	78,988	1859 (do do)	632,549
1847 (do do)	116,204	1860 (U. S. Census)	674,913
1849 (do do)	130,945	1865 (State Census)	754,732

Here we find a population beginning at 10,000 multiply its number by nearly eight in ten years; in the next ten years the population of 1846 was multiplied by more than six and in the nine years ending with 1865 it increased thirty-three per centum. The increase from 1860 to 1865, covering a period of civil war, has been somewhat retarded, but with highly satisfactory results as shown in the tables which follow:

POPULATION BY COUNTIES.

Counties.	1860.	1865.	Counties.	1860.	1865.
Adair	984	1,071	Johnson	17,573	18,781
Adams	1,533	1,818	Jones	13,806	14,376
Alamakee	12,237	13,957	Keokuk	13,271	13,996
Appanoose	11,931	10,728	Kossuth	416	694
Audubon	454	540	Lee	29,332	28,083
Benton	8,496	11,245	Linn	18,947	20,754
Black Hawk	8,244	12,906	Louisa	10,370	10,948
Boone	4,232	5,236	Lucas	5,766	6,352
Bremer	4,915	7,224	Lyon (new)	.....	.....
Buchanan	7,906	10,037	Madison	7,339	8,214
Buena Vista	57	....	Mahaska	14,816	17,082
Butler	3,734	5,006	Marion	16,813	18,719
Calhoun	147	224	Marshall	6,015	8,759
Carroll	231	400	Mills	4,481	5,218
Cass	1,612	1,895	Mitchell	3,409	4,176
Cedar	12,949	14,041	Monona	832	1,096
Cerro Gordo	940	1,311	Monroe	8,617	9,435
Cherokee	58	64	Montgomery	1,256	1,535
Chickasaw	4,336	5,355	Muscatine	16,444	17,241
Clarke	5,427	5,716	O'Brien	8	.....
Clay	52	....	Osceola	.....	.....
Clayton	20,728	21,922	Page	4,419	5,211
Clinton	18,938	22,405	Palo Alto	132	216
Crawford	383	574	Plymouth	148	105
Dallas	5,244	5,896	Pocahontas	103	215
Davis	13,764	13,123	Polk	21,625	16,473
Decatur	8,677	8,052	Pottawattamie	4,968	5,388
Delaware	11,024	12,508	Poweshiek	5,668	7,796
Des Moines	19,611	19,894	Ringgold	2,922	3,089
Dickenson	180	300	Sac	246	304
Dubuque	31,164	33,078	Scott	29,959	28,474
Emmett	105	368	Shelby	818	900
Fayette	12,073	13,126	Sioux	10	....
Floyd	3,744	4,896	Storey	4,051	5,918
Franklin	1,348	1,899	Tama	5,235	7,882
Fremont	5,014	5,698	Taylor	3,590	4,299
Greene	1,874	1,659	Union	2,012	3,528
Grundy	793	1,332	Van Buren	17,061	15,599
Guthrie	3,058	3,239	Wapello	14,518	18,794
Hamilton	1,699	2,023	Warren	10,281	11,150
Hancock	179	292	Washington	14,235	15,739
Hardin	5,440	6,818	Wayne	6,409	6,827
Harrison	3,621	4,265	Webster	2,504	3,772
Henry	18,701	17,816	Winnebago	168	298
Howard	3,168	3,871	Winneshiek	13,942	15,421
Humboldt	332	606	Woodbury	1,119	1,295
Ida	43	....	Worth	756	1,142
Iowa	8,029	10,258	Wright	653	908
Jackson	18,493	19,097			
Jasper	9,883	12,095	Total, 1860	674,913	.....
Jefferson	15,088	14,772	Total, 1865	.....	754,732

From the above, it appears that five counties made returns in 1860 that did not report in 1865. These are Buena Vista, Clay, Ida, O'Brien and Sioux, which together gave, in the first named year, the insignificant population of 170. Leaving these out of the reckoning, the census of 1860 gave a total for the State of 674,743, and that of 1865 a total of 754,732, showing that in the quinquennial period there has been an increase of 79,989, or 11.85 to every hundred at its commencement.

POPULATION OF CITIES, TOWNS AND VILLAGES.

Places.	1860.	1865.	*	Places.	1860.	1865.	*
Dubuque	13,000	15,814	15,814	Indian Village	619	1,081	1,081
Davenport	11,267	16,883	14,068	Bel evue	1,064	2,043	1,058
Burlington	6,706	10,089	8,018	Le Claire	1,442	1,047	1,047
Desmoines	2,965	5,722	5,722	Guttenburg	1,104	1,004	1,004
Iowa City	5,214	7,106	5,417	Knoxville	2,371	3,674	1,087
Muscatine	5,3 4	5,273	5,273	Albia	620	941	941
Mt. Pleasant	3,538	4,055	4,055	Keosanqua	...	....	888
Lyons	2,703	3,292	3,107	Wapello	992	1,761	880
Oskaloosa	4,393	5,654	3,042	Sioux City	767	865	865
Clinton	1,816	3,168	2,450	Glenwood	613	1,247	728
Ottumwa	1,632	2,359	2,359	Sabula (T)	....	....	700
Cedar Rapids	1,830	2,167	2,167	Marengo	1,233	1,275	689
Columbus	1,315	2,048	2,048	Farmington	2,641	1,443	673
Independence	1,395	2,017	2,017	Camanche	1,468	1,221	672
McGregor	1,989	1,908	1,908	Walton (T)	1, 24	1,525	671
Pella	1,644	1,742	1,742	Princeton	1,423	1,450	534
Fairfield	1,692	3,041	1,741	Salem (T)	1,356	1,800	524
Maquoketa	1,090	2,026	1,391	Bonaparte		....	469
Eddyville	917	1,361	1,361	New London (T)	1,993	1,754	459
Waverly (V)	....	...	1,278	Union City	884	395	395
DeWitt	2,261	2,182	1,169	Newburg (V)		....	250
Tipton (T)	1,190	1,996	1,096	Queen City	212	239	239

The third column, headed thus*, shows the population of cities within the proper corporate limits The two first columns give the population of the township, including the city. This arrangement has been adopted because, in the Federal census of 1860, the city population is not distinguished from that of the township, and hence, in order to compare the two censuses, the population of the whole territory occupied by township and city is necessarily given for both years.

It appears from this table that Iowa has now three cities of upwards of 10,000 inhabitants; three of less than 10,000, and more than 5,000; eight of less than 5,000 and more than 2,000, and thirteen of less than 2,000 and more than 1,000, and a number of cities, towns and villages of inferior population. In this enumeration city population alone is included. Comparing the township and city population of the principal places in 1860 and 1865, the following results are obtained:

	1860.	1865.	Inc.
3 cities, &c., of 10,000 and upwards	30,978	42,785	11,812
3 " of less than 10,000 and more than 5,000	14,503	18,100	3,597
8 " of less than 5,000 and more than 2,000	19,122	24,760	5,638
12 " of less than 2,000 and more than 1,000	17,343	22,155	4,812
Total, 26 cities, &c	81,941	107,800	25,859

—showing an increase of 31.57 per cent. for the quinquennial period. This is nearly three times the general average of the whole State. The rate of increase of the three first-class cities was 38 14 per cent.; of the three second class cities, 24.80 per cent., of the eight cities of 5,000 to 2,000, 29 52 per cent.; and of the twelve cities of 2,000 to 1,000, 27 81 per cent.

BOSTON SEMI-ANNUAL DIVIDENDS.

Mr. Joseph G. Martin of Boston, sends us the following with regard to the dividends payable in that city, &c.

BOSTON BANK DIVIDENDS.

The following table presents the capital of each Bank, together with the last two semi-annual dividends, and the amount payable on Monday, October 1.

Also, the market value of each stock, dividend on April 1, 1866, and at the present time.

A noticeable feature of the Bank dividends at this time is the great uniformity as compared with April last, the only change being old Boston Bank from 5 to 6, and Webster 5 to 4 per cent. A like instance has never before occurred among the banks in this city and it is doubtful if it ever will again. The payments are such as cannot fail to give satisfaction to the shareholders and are alike creditable to the bank managers. Of the forty-five Banks in the table, twenty-four divide 5 per cent., eight 6 per cent., eight 4 per cent., and one each of 7½, 7, 4½, 3½ and 3 per cent., averaging a fraction over 5 per cent.

In contrast with the current rates of dividends we present those of some twenty to twenty-five years ago, when very few bank shares were selling above par. The following comprises all the banks then in operation.

	1842.	1843.	1844.	1845.		1842.	1843.	1844.	1845.
Atlantic	3 —3	3 —2	2½—2½	3 —3	Mechanics	3 —2	2½—3	3 —3	3 —3½
Atlas	2 —2½	2 —2	0 3	3 —3	Merchants	3½—3½	3 —3	3 —3	3½—3½
Boston	3½—3½	3½—3½	3½—3½	3½—3½	NewEngl'd	3 —3	3 —3	2½—3	3 —3
City	0 —2	2 —1½	2½—2½	3 —3	North	0 —2	2 —2	2 —2½	3 —3
Columbian	3 —3	3 —2	2 —2½	2½—3	Shawmut	3 —3	2½—2	2 —2½	3 —3
Eagle	0 —0	3 —2	2½—3	3 —3½	S.&Leather	3½—3½	3 —3	3 —3	3 —3½
Freeman	3½—3½	3½—3½	3½—3½	3½—3½	State	3 —3½	3 —2	2 —2½	3 —3
Globe	3 —3	3 —3	3 —3	3 —3	Suffolk	4 —4	4 —4	4 —4	4 —4
Gran te	2½—2	3 —2	2 —3	3 —3	Traders	0 —0	0 —0	2 —3	3 - 3
Hamilton	3 —3	3 —2	2 —2½	3 —3	Tremont	3 —0	2 —2½	2½—2½	3 —3
Market	3 —3	3 —3	3 —3	4 —4	Union	3 —3	3 —2½	2½—2½	3 - 3
Masech'ts*	7 —7	7 —5	5 —6½	7 - 7½	Washingt'n	2 —2½	1½—2	1½—2	2½—3

Bank shares are in good favor and command high rates, private sales being sometimes made at a figure materially above quoted transactions. In consequence of the small number of shares put upon the market for sale it is extremely difficult to price them accurately.

The Government has no interest maturing Oct. 1, but on the 1st of November $23,292,684 will be due on $776,422,800 Five-twenties outstanding Sept. 1.

The State of Massachusetts pays its interest in coin. The city of Boston will pay interest in coin on the first day of October only, and after that claims the option to pay gold or its equivalent, at the market price on that day.

Interest is also due Oct. 1 on Roxbury City 6 per cent bonds at the Treasurer's office, or Suffolk bank.

National Banks of Boston.	Capital October, 1866.	Div'ds— April. 1866.	Oct. 1866.	Amount Oct., 1866.	Stock div'd on— April, '66.	Sept. 27. '66
Atlantic, National	$750,000	5	5	37,500	116	118
Atlas, National	1,000,000	5	5	50,000	110	115
Blackstone, National	1,000,000	5	5	50,000	123	130
Boston, National	750,000	5	5	37,500	108	115
Old Boston, National, par $50	900,000	5	6	54,000	68	70
Boylston, National	500,000	6	6	30,000	123	135
Broadway, National	200,000	5	5	10,000	105	110
City, (National)	1,000,000	4	4	40,000	108½	110
Columbian, National	1,000,000	5	5	50,000	110	129
Commerce, (National Bank of)	2,000,000	5	5	100,000	118	123
Continental, National	500,000	5	5	25,000	106	117
Eagle, (National)	1,000,000	5	5	50,000	112½	120
Eliot, National	1,000,000	5	5	50,000	118¼	123
Everett, National	200,000	3	3	6,000	100	102
Exchange, (National)	1,000,000	6	6	60,000	135	140
Faneuil Hall, National	1,000,000	5	5	50,000	128	134
First National	1,000,000	6	6	60,000	135	145
Freeman's, National	400,000	5	5	20,000	115	120

* Massachusetts par value $250. Dividends given in dollars per share.

Globe, National	1,000,000	5	5	50,000	130	135
Hamilton, National	750,000	6	6	45,000	120	125
Hide and Leather, (National)	1,000,000	7	7	70,000	135	140
Howard, National	750,000	5	5	37,500	108	110
Market, National	800,000	4	4	32,000	105	110
Massachusetts, National, par $250	800,000	5	5	40,000	115	120
Maverick, National	400,000	4	4	16,000	100	105
Mechanics' National	250,000	5	5	12,000	110	115
Merchants' National	3,000,000	5	5	150,000	117	122
Mount Vernon, National	200,000	5	5	10,000	108	120
National Bank of Redemption	1,000,000	4	4	40,000	...	...
New England, National	1,000,000	5	5	50,000	122	130
North, National	1,000,000	5	5	50,000	108	115
North America, (National Bank of)	1,000,000	4½	4½	45,000	104	108
Republic, (National Bank of the)	1,000,000	5	5	50,000	120	130
Revere, (National)	1,000,000	6	6	60,000	130	140
Second National	1,000,000	7½	7½	75,000	146	150
Shawmut, National	750,000	5	5	37,500	108	117
Shoe and Leather, National	1,000,000	6	6	60,000	135	140
State, National	2,000,000	4	4	80,000	110	115
Suffolk, National	1,500,000	4	4	60,000	120	118
Third National	300,000	4	4	12,000	104	108
Traders' National	600,000	3½	3½	21,000	96½	102
Tremont, National	2,000,000	5	5	100,000	117	125
Union, (National)	1,000,000	5	5	50,000	118	122
Washington, National	750,000	6	6	45,000	120	125
Webster, (National)	1,500,000	5	4	60,000	110	115
Total, April, 1866	$42,550,000			2,138,500		
Total, Oct., 1865	42,350,000			2,622,500		
Total, April, 1865	40,550,000			2,384,000		

MISCELLANEOUS DIVIDENDS.

The following is a statement of the dividends and interest money to be disbursed at the dates given in October, and all payable in this city. The Berkshire Railroad, American Shoe Tip Company, Liberty Square Warehouse, Middlesex Mills, Mount Pleasant Coal, Roaring Brook Coal and Sallisbury Mills are quarterly. In addition to these, early in October is the usual period for payment of dividends by the Boylston, City, Howard, Manufacturers', Merchants', National, Neptune, Suffolk and Washington Insurance Companies, as also the Boston Exchange and Hamilton Woolen Companies, quarterly—adding, in round numbers probably $150,000 and making the total to be paid out in October over $3,300,000, including bank dividends. The Lawrence manufacturing Company passes its dividend.

The Ogdensburg and Lake Champlain Railroad pays its first dividend on the eight per cent. preferred stock, which is intended eventually to absorb the first mortgage bonds, and the directors now offer to the holders of these bonds, five thousand shares of preferred stock, free from government tax, in exchange for five hundred thousand dollars of bonds, at par, without interest, one share of stock to be given for a hundred dollar bond. This exchange is deemed a desirable one for the bond holders, and will doubtless be promptly availed of.

Payable Oct.	Names of companies, &c.	Capital, Oct., '66.	Divid'ds— April, 1866.	Oct., 1866.	Amount Oct., '66.
5	American Shoe Tip Co	$1,200,000	2½	2½	$30,000
21	Bangor City (Municipal) 6's	Int. abo't.	3	3	10,000
2	Bangor (RR issues) 6's, '74	500,000	3	3	15,000
1	Bath City 6's, 1891	200,000	3	3	6,000
10	Berkshire Railroad stock	320,500	1¾	*1¾	5,600
1	Boston City bonds	Interest.	..	..	90,000
12	Boston Five Cents Sav. Bank	Interest.	..	3½	115,000
12	Boston Penny Savings Bank	Abt 90,000	..	2½	2,250

* For Notes see page 302.

*1	Boston Manufac. (par 750)	600 shar's	$50†	$183½	80,000
1	Boston Steam Flour Mills	100,000	3	3	3,000
1	Boston and Sandwich Glass	400,000	12½	10	40 000
1	Bullion Consolidated Co	800,000	..	‡5	15,000
1	Cambridge Horse Railroad	727,800	4½	*4½	32,751
1	Chelsea Horse Railroad pref	110,000	4	*4	4,400
1	Eliot Fire Insurance	200,000	6	6	12,000
—	Granite Railway	250.000	3	..	.....
1	Han and St Joe. i. G. bonds	Interest.	3½	3½	45,000
1	Liberty Square Warehouse	600 shar's	$5	$7½	4,500
1	Massachusetts 6's, 1868	150,000	3	3	4,500
1	Massachusetts 5's, '65, '74	275,000	2½	2½	6,875
1	Mass. (Troy & Gr n'd) 5's, '90	1,166,500	2½	2½	29,163
1	Malden and Melrose Railroad 6's	75,000	3	3	2,250
§	Middlesex Mills	750,000	5	5	37,500
1	Michigan Central RR bonds, '82	4,514,500	4	4	180,580
1	Mount Pleasant Coal	5,000 shs	1½	1	5,000
1	National Dock Co. (East Boston)	300,000	3	3	9,000
1	New England Glass Co	500,000	10	10	50,000
1	Northern N. H. RR 6's, '74	149,400	3	3	4,482
1	New Bedford 5's, '77-'80	77,000	2½	2½	1.925
1	Og. and Lake Cham. RR, pref	356,400	..	4	14,256
1	Old Colony Railroad bonds	210,500	3	3	6,315
1	Portland City 6's	Int. abo't	3	3	5,000
1	Prescott Fire & Marine Ins. Co	100.000	4	4	4,000
4	Roaring Brook Coal	250,000	6	6	15,000
8	Salisbury Manuf	1,000,000	5	7½	75,000
1	Shoe & Leather F. & M. Ins	200,000	5	5	10,000
1	South Shore RR 6's, 1880	150,000	3	3	4,500
1	Western Railroad 6's, 1875	938,000	3	3	28,140
					$1,008,987

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurers' returns in the Treasury Department, on the 1st of August, the 1st of September and the 1st of October, 1866, comparatively:

	Aug. 1.	Sept. 1.	Oct. 1.
DEBT BEARING COIN INTEREST.			
6 per cent. bonds	$198,241,100	$198,091,350	$198,091,350
" " of 1867 and 1868	18,324,592	18,323,592	18,323,592
" " of 1881	283,734,100	283,734,800	283,738,750
" " 5.20's	742,329,650	773,422,800	796,162,250
Navy Pension Fund	.....	11,750,000	11,750,000
	$1,242,628,442	$1,288,322,542	$1,310,065,942
DEBT BEARING CURRENCY INTEREST.			
6 per cent. bonds	$6,042,000	$8,202,000	$8,922,000
Temporary Loan	118,665,470	45,588,0 0	22,500,000
3-year Compound Interest Notes	156,012,140	155,512,140	155,512,140
3-year 7.30 notes	798,949,350	769,518,900	743,996,050
	$1,117,222,226	$1 079,668,980	$930,930,190
DEBT ON WHICH INTEREST HAS CEASED.			
Various bonds and notes	$4,900,430	$4,670,160	$23,302,372
DEBT BEARING NO INTEREST.			
United States Notes	$4 0.361.728	$399,608,592	$399,165,292
Fractional currency	26,684,139	25,483,998	27,029,273
Gold certificates of deposit	16,403,180	15,480,220	11,057,640
	$432,031,603	$443,449,047	$437,252,205
Aggregate debt	$2,770,416,609	$2,728,314.826	$2,701,550,709
Coin and Currency in Treasury	137,317,333	132,681,668	128,213,767
Debt, less coin and currency	$2,633.099,276	$2,595,633,168	$2,573,336,941

* Berkshire, Cambridge, and Chelsea Railroads, less Government and State taxes in October and Government tax only in April.

† The par value of Boston Manufacturing Co. is to be raised from 750 to 1,000 by an assessment of $83½ per share and balance from reserved fund.

‡ The Bullion Consolidated dividend is monthly, and the company has divided 60 per cent or $180,000 within a year.

§ Payable on demand.

The following statement shows the amount of coin and currency separately at the dates in foregoing table:

	Aug. 1.	Sept. 1.	Oct. 1.
Gold Coin	$61,822 127	$76,383,918	$86,259,909
Currency	75,995,.06	56 297,750	41,953,858
Total gold coin and currency	$137,317,333	$132,681,668	$128,213,767

THE PANAMA RAILROAD AND ENGLISH CAPITALISTS.

For the past two or three weeks a statemend has been quite generally published throughout the country to the effect that the Panama Railroad has passed into the hands of English capitalists. This announcement was certainly a surprise. and if true, we might almost add, a national calamity. But, fortunately. we are authorized to say that there is no foundation whatever for the statement.

The rumor in question probably grew out of the action of the Columbian Congress. in June last, which has been entirely misapprehended. Our readers are most likely aware that the grant to the Panama Railroad was limited: Colombia reserving to herself the right to purchase the road in 1876 for $5,000,000. These reserved rights the representatives of that Government have of late years made the subject of frequent negotiations with the company and others—Colombia placing great value upon them, and striving to replenish her exhausted treasury by their sale. In the early part of this year, however, General Mosquera. the Minister of Colombia to England and France, made two contracts, each of which affected the interest of the road. The first one was with William H. Catterrall, solicitor. of London. This was an agreement to sell to Mr. Catterrall these reserved rights, for the sum of £1.000.000, to be paid as follows: £200.000 on the ratification of the agreement by the Congress of Colombia, and £800.000 ten years hence, at the expiration of the absolute grant to the railroad. For this £1.000.000 Mr. Catterrall was to obtain the position, with regard to the railroad, held by this South American Government—that is, the right to purchase for $500,000. This agreement was to be first ratified by the Colombian Government, and then Mr. Catterrall was to have the option of accepting or rejecting it.

While the ink was scarcely dry that penned this remarkable contract, General Mosquera sought another sale for Colombia's reserved rights. This time, however, a different style of agreement was entered into, the bonus to be paid taking the form of a loan. The arrangement was in substance that £1.500,000 should be given the Columbian Government, for which she should issue her bonds to an equal amount, and to secure the prompt payment of the interest she should appropriate for that purpose thirty-five per cent. of the customs duties, while the principal should be secured by the pledge of these same reserved rights in the Panama Railroad. The parties agreeing to make the loan not feeling willing to trust our sister republic, inserted a clause in the agreement to the effect that the bondholders should be allowed to station agents at the Custom-houses for the purpose of preventing any misappropriation of the thirty-five per cent. of customs duties.

These two agreements were made, as we have already stated, at about the same time, and General Mosquera sent them with all haste to the Columbian Congress to be acted upon. They came before that body at their last session, and in June a decision was reached. The first agreement, being the one entered into with Mr. Cutterrall, was rejected. The second agreement was amended by striking out the clause allowing European agents to be stationed in their Custom houses, and also by adding a provision forbidding the bondholders, in case of default in payment of the principal, to sell the reserved rights in the Panama Railroad except with the consent of the Colombian Government; in other words, giving a morgage with no power, without the consent of the mortgagor, to dispose of the property mortgaged. In this emasculated form the second agreement was ratified. Of course, however, the parties proposing to make the loan refused to do so on any such security.

Out of these agreements, then, of General Mosquera, and out of these proceedings of the Colombian Congress, has arisen the rumor of the transfer of the Panama Railroad to English capitalists. The facts we have recited show not only that there is no truth in the rumor, but that for the next ten years the rights of the present owners of the road are absolute; and we have no doubt but that the parties who were able to undertake and carry through successfully that magnificent enterprise, will have the ability to wisely manage and retain it.

FUEL EXPERIMENTS.

A company has been formed in London for the manufacture of a new fuel from coal waste. The refuse coal is mixed with common farina, alkali, and hot water in the proportion of eight pounds of farina, three pounds of British alkali, and twenty-five gallons of water to the ton, and the composition is kneeded by two bread rollers in a revolving mill. The mixture is then turned out by a hinged shovel into a shoot, whence it drops into a series of small buckets attached to a strap, the buckets dropping their contents down the shoots into moulding machines, where the mixture is compressed into bricks As these fuel bricks are shaped, they are laid on open iron strap trays in small trucks, which, when full, are run on rails into tunnels closed at both ends by iron shutters, and there they are dried rapidly by hot air driven in by revolving fans.

The quality of this fuel is said to be equal to that of the coal in ordinary use, and it is excellent for gas purposes. The company get a good profit by selling it for 17 shillings ($4.50) a ton—about $1.50 cheaper than coal.

The use of petroleum as a substitute for coal is the subject of a parliamentary paper just issued in England. Experiments were recently made at the Woolwich Dockyard for the purpose of testing the value of petroleum for raising steam in marine boilers, with the following results: A mixture of American oil and "coal oil once run" only evaporated 7-77 pound of water per pound weight of oil, while 1 pound of Welsh coal evaporated 9 pounds to 9½ pounds of water. The experiments with "coal oil once run" alone gave a better result, the evaporation being 10½ pounds of water, but the rate of combustion of the oil and the rate of evaporation of the water per square foot of grate were low, and the smoke tubes became very foul. The best results were obtained from the use of

Burslem oil, which evaporated 18·38 pounds of water; shale oil, 17 92 pounds; and Torbraine Hill mineral oil, which evaporated 18·38 pounds. The smoke from each kind of oil was very moderate, and the tubes at the conclusion of each experiment were tolerably clean. The report concludes that if results as favorable as the three last mentioned can be obtained under ordinary circumstances, it would appear that one pound of oil will evaporate about double the weight of water which one pound of coal burnt in the ordinary way would evaporate, but, at the same time, the greater cost of oil (from £10 to £23 per ton) must be taken into consideration. If, however, a great reduction were to take place in the price of the oils, "probably under some circumstances they might be advantageously used instead of coal. The experiments, therefore, so far as they have gone, may be regarded as of considerable value in showing the great evaporative power of these oils."

OUR WHALING FLEET.

Notwithstanding the ravages of the pirate Sea King, alias Shenandoah, upon our whalers, it is gratifying to notice that the places of those which were destroyed are filling up rapidly. New Bedford, which suffered the most, has now 174 sail, principally ships and barks, averaging between 300 and 400 tons, of which only nine are now in port at home. Fairhaven has eleven, with only one at home; Dartmouth three, all at sea; Sippican the same number, also afloat; Westport nine, all at sea; Edgartown six, with two in port; Nantucket four, all at sea; and Provincetown forty-two, with only four in port. The whalers belonging to Provincetown are all schooners, eleven of which are under 100 tons—one of them only 75 tons—but the majority of them average about 125 tons, and all are engaged in the Atlantic whaling. This fleet has been very successful during the past five years, having made upon the average between 25 and 30 per cent. clear.

Boston has two barks, one brig and five schooners all at sea. Of these, five are manned by Mr. Hemon Smith, who owns a part in them all, and under whose auspices the business of whaling out of Boston has been revived. A fine new brig of 133 tons, named after him, has just been added to this small fleet. With a single exception, they are employed in the Atlantic whaling. The bark Arthur Pickering, at last accounts, was bound from Fayal for the Pacific.

Salem has two whalers, a brig and a schooner, and Beverly the same—all in the Atlantic. New London has twenty-three, with only two in port. Groton has a schooner in Hudson's Bay. Sag Harbor has eight, of which all are at sea, and New York, the great commercial emporium, has only one bark of 234 tons, whaling in the Atlantic Ocean.

RECAPITULATION.

New Bedford	174	New York	1
Fairhaven	11	Boston	8
Dartmouth	3	Salem	4
Sippican	3	Beverley	4
Westport	9	New London	23
Edgerton	6	Groton	1
Nantucket	4	Sag Harbor	8
Provincetown	42		
Total			301

Our whaling operations, though far inferior to what they were fifteen years ago, are still the most extensive in the world. England, with all her vast maritime enterprise, has very few whalers.—*Boston Commercial Bulletin.*

OIL AS A SUBSTITUTE FOR COAL.

A parliamentary paper, just issued, gives an account of the results of some experiments recently made at Woolwich dockyard, with the view of testing the value of petroleum and shale oil as substitutes for coal in raising steam in marine boilers. The experiments were conducted by Mr. Richardson, who had proposed a plan of employing oil instead of coal. The report of the results is not of a very decisive character, but it shows that the value of various oils for the purpose in view varies considerably. Thus, a mixture of American oil and "coal oil once run" only evaporated 7·77lb of water per pound weight of oil, while 1lb of Welsh coal evaporates 9lb to 9½lb of water. The experiments with "coal oil once run" alone gave a better result, the evaporation being 10½lb of water, but the rate of combustion of the oil and the rate of evaporation of the water per square foot of grate were low, and the smoke tubes became very foul. The best results were obtained from the use of oil, 17·92lb; and Torbaine hill mineral oil, which evaporated 18·38lb. The smoke from each kind of oil was very moderate, and the tubes, at the conclusion of each experiment, were tolerably clean. The report concludes that if results as favorable as the three last-mentioned can be obtained under ordinary circumstances, it would appear that 1lb of oil will evaporate about double the weight of water which 1lb of coal burnt in the ordinary way would evaporate, but at the same time the greater cost of oil (from £10 to £23 per ton) must be taken into consideration. If, however, a great reduction were to take place in the price of the oils, "probably under some circumstances they might be advantageously used instead of coal, The experiments, therefore, so far as they have gone, may be regarded as of considerable value in showing the great evaporative power of these oils, and the practicability of burning them according to Mr. Richardson's plan."

RICE IN MADRAS.

We find, in a recent number of the Madras *Times*, the following account relative to the experimental cultivation of Carolina rice in Madras: The collector of Tinnevelly has reported to the Government that two Tinnevelly measures, equal to 1 7 17 Madras measures of Carolina rice, were sown on the 20th of September, 1865, in the best quality of channel irrigated land, in the Oorkad Estate, which bears the heaviest crops in this district, at present under the Circar management; the land was also manured, but the yield on the 9th February was one mercal, seven Tinnevelly measures, or 10¾ Madras measures, giving only seven and a half fold, whereas the indigenous "anikomban," or ivory rice, yields in the same locality twenty-one fold. This seed of 1865, saved from the crop of the preceding year. There is no reason alleged for the yield being so inadequate; the crops in the locality have been good. The soil is sandy clay, improved by manure and irrigation, and may, perhaps, not be adapted to this species of rice. It is suggested that when exotic grain is forwarded for trial it would be advantageous if the description of soil on which it arrives at perfection were stated, in order that, if possible, similar soils might be selected. The collector of South Arcot has been requested to forward to the collector of Tinnevelly full details of the highly successful experiment lately conducted in the

South Arcot sub-division, in order that, if possible, the cause of the comparative failure in Tinnevelly may be detected Now that a large supply of Carolina seed rice is expected from the Secretary of State, it is very important that risk of failure in growing it should be guarded against as far as possible. Details of the system of cultivation pursued in America would be very valuable, and probably easily procurable.

COAL PRODUCTS OF EUROPE AND AME ICA.

The recent report by Mr. Robert Hunt on British minerals gives, as the latest and best account of the coal produced on the continent of Europe and in America, the following returns:

		Tons			Tons.
England	1865	88,15 ,587	Bavaria (coal)	1862	21,220
France	1865	11,9 ,0 0	Zollverein (coal)	1 63	16,9 6,707
Belgium	1862	9,758.223	Zollverein (lignite)	1 63	5, 59,494
Prussia	863	10,074.815	Austria (coal)	1862	5,26 ,2 8
Prussia, (brown coal)	1863	4,003,044	Austria, (lignite)	1862	1,786,679
Saxony	1863	1,902,175	Russia	1863	6,850.000
Saxony, (brown coal)	186	428.615	Denmark	1864	2,755
Grand Duchy of Baden	1864	12,388	Sweden, annually		30,000
Hanover	1863	287,415	Holland, annually (inferior)		18,000
Hesse and Nassau	18 4	79,296	Portugal, annually		14,500
Electoral Hesse	1 65	308,150	Switzerland, annually		15. 00
Electoral Hesse (brown coal)	1865	179,600	United States of America	1864	14,593,659
Bavaria, (lignite)	1863	45,570			

The total amount of coal raised in the United States which paid the excise tax in the year ending June 30, 1865, was 17,106,449 tons.

BOSTON.—VALUATION AND TAXATION.

The city assessors have completed their valuation of Boston property and taxes for the year, which foot up as follows:

Wards.	Real.	Personal.	Total.	Polls.
1	$8,719,100	$1,959,400	$10,675,500	4,225
2	15,610,700	9,104,000	24,714,700	2,902
3	6,930,800	2,840,300	9,771,100	3,167
4	59,029.225	55,[illegible]00,[illegible]00	114,956,[illegible]25	4,204
5	45 074,100	53,8[illegible]5,900	98,679,900	2,957
6	24,064,000	36,688.200	60,732,200	2,540
7	10,286,650	1,469,400	11,756,050	2,893
8	9,832,340	4,146,030	13,982,270	2,353
9	12,625,800	5,535,700	18,161,500	1,315
10	12,297,700	6,269,400	18,477,100	2,309
11	14,765,100	9,414,500	24,179,600	2,203
12	6,617.900	2,673,[illegible]00	9 291,400	2,364
	225,767,215	189,595,180	415,362,345	34,192
Last year	201,628,900	170,[illegible]63,875	371,892,775	.....
Increase	24,138,315	19,331,215	43,469,560	.....

The amount of money to be raised by taxation this year is $5.274 484. The rate of taxation is as follows:

	County tax,	City tax.	Total tax.
Last year	$4 44	$11 36	$15 80
This year	2 45	10 55	13 00

The number of polls is 512 less than reported last year.

have shown some anxiety to open credits, alleging as a reason that it must be late before their people can realise upon the cotton crop; as a rule, however, our merchants have not deemed it prudent to extend credit to that section until political affairs become more settled.

The regulations of the Treasury Department for ascertaining and collecting the tax upon raw cotton threaten to involve much inconvenience both to the producer and to the Government, which seem to be unnecessary, and if so, ought to be obviated. It cannot be expected that the cultivation of that staple will be pursued extensively if the annoyances and other inconveniences incident to carrying out the law are too aggravated for common patience, and we have no doubt that the Government will carefully reconsider the matter, and modify, so far as may be, the instructions lately issued, adopting the simplest and most inexpensive measures it is able under the law to adopt, for the weighing of cotton and the collection of the tax. This is but the commonest dictate of justice and good policy. The act of July, 1866, requires the tax of three cents a pound to be paid to the Collector of Internal Revenue for the district in which the cotton shall have been produced, except in cases where permits have been duly obtained of the assessor upon the giving of proper security for the amount due the Government. This provision obliges the assessor to visit each plantation to superintend the weighing, or compels the planter to haul it to some point designated, saddling upon him the expenses of this moving or the charges of the assessor. In the event of delay there are great liabilities of losing favorable opportunities for shipping the crop to market. It is not practicable for the assessors to visit all the plantations and weigh the cotton without increasing their number to an undue extent. Besides the difficulties in the way of a proper performance of their duty constitute a strong temptation to give certificates of weight without actually seeing the cotton, and are liable accordingly to lead to fraud.

The regulations of the Department authorize the designation of particular places for weighing points, to which the planters are required to bring their cotton. Complaint is made that these places are so inconvenient and inaccessible, that the cost of removing the cotton thither would be double that of transporting it to a seaport town. The majority of the points to which it is usually shipped have not been selected for weighing points. The Government can derive no special benefit from this incurring of unnecessary expense.

The producers, besides, generally depend upon the proceeds of the sale of their cotton for the means to pay the tax. The present system, therefore, obliges them to dispose of their crops to speculators at a sacrifice, or they must give bond for payment before they can be allowed remove their cotton from the district. In those cases in which they have followed the old practice of obtaining advances from merchants, this bond interferes badly with the arrangement. It places the cotton under control of the revenue officers, and enables the collector to send it to a bonded warehouse before transferring it to the merchant, thus making unnecessary expense to both parties. There are other impediments which the regulations create, the effect of which will be to discourage the production of the staple altogether. Every obstacle in the way of its rapid passage to market is a positive injury to the country, as well as to the planter; for the latter, in event of his being unable to send his crop to market without

sacrificing a large part of the proceeds, will necessarily turn his attention to the growing of other products instead, which are free of these disabilities. It is the interest of all of us that the production of this staple should be stimulated, not fettered.

The cotton factors and merchants of New Orleans, apprehensive of embarrassment from the enforcement of the present system of regulations, held several meetings during the month of September to devise modifications which the exigencies of the cotton trade seemed to require. A memorial was prepared and addressed to Mr. McCulloch, the Secretary of the Treasury, setting forth that the existing regulations are exceedingly onerous, and, as they conceive, not well adapted to protect the interests of the Governments. The object of the law imposing a tax upon cotton they very rightly consider to be to collect the amount levied at the smallest cost, in the shortest time possible, and with the least expense, inconvenience and annoyance to the citizens who pay the tax. They accordingly suggest that all the cotton growing States shall be arranged into a single district for the purpose of collecting the tax. The power to do this they claim is conferred by the seventh section of the Internal Revenue Act of 1864 which authorizes the President "to alter the respective collection district" as the public interests may require. We see, however, that the Attorney General has written an opinion to the effect that under the law the Government has not the power claimed. If this be so the necessary legislation can without doubt be easily obtained, and in the meantime such modifications should be made in the present regulations as may be possible and may tend to remove the difficulties and disabilities referred to.

Trade with the West has not been so extensive as might have been expected from the anticipation of large crops. A conservative spirit appears to pervade the trade of that section; and, as their collections have not proved very satisfactory in some districts, there is a disposition to confine credits within moderate limits. The injury to the corn crop has had a depressing effect upon the trade of Illinois and Ohio, which, however, during the last few days, has been counteracted by the reports of injury to the grain crops of Great Britain, warranting the expectation of a large demand for our cereals for export.

In some quarters, there have been symptoms of a disposition to extend credit operations; but, as a rule, our jobbers are disinclined to encourage time transactions, and it may perhaps be safely affirmed that there has been but little departure from the strictly conservative terms upon which business has been conducted since the beginning of the war. The limited amount of credit transactions, however, is perhaps attributable to the extreme abundance of currency as much as to the indisposition of traders to do business upon time.

The usual flow of currency from East to West for moving the crops has not made its appearance until the close of September, a period somewhat later than in former years; and, owing to the extreme abundance of money idle in the banks, the demand has not had its usual effect upon the money market, the rate remaining, through the month, steady at 4 per cent. on call. The most pointed indication of the extreme ease of the money market is in the fact that, on the Treasury notifying the banks to present $12,500,000 of Clearing House certificates for redemption on the 25th ult., the banks allowed the currency to remain

in the Sub-Treasury, free of interest, simply to retain the use of the certificates in Clearing House settlements, a plain acknowledgement that they could find no use for the money.

The course of the gold market has been comparatively steady. The demand for customs has been very nearly met by the importations from California and Europe; and speculative movements, to force up the premium, have consequently made no progress. The receipts of gold from California for the month amount to $2,884,432. Since January 1st, we have received from that source $30,500,000, which exceeds the receipts for the corresponding months of any of the last seven years. It is important, however, to remember that eight millions of the receipts was destined for the Sub Treasury. The transatlantic receipts for the month have not been officially reported, but are estimated at the unusually high figure of $7,500.000. These importations appear to be due, on the one hand, to our having remitted to Europe during the panic in London in excess of our actual liabilities; and, on the other, to the subsequent large exportation of Five-twenties.

MOVEMENT OF TREASURE AT NEW YORK.

Months, &c.	New Supply. California.	Foreign.	Total.	Exports to for. ports.	Excess of Supply.	Excess of Export.
January	$1,485,316	$72,771	$1,558,087	$2,706,336	$.....	$1,148,249
February	3,603,100	172,122	3,775,122	1,807,080	1,968,092	.....
March	3,958 291	285 854	4,244,145	1,045,039	3,199,106	.....
April	1,589,321	161,817	1.701,138	588,875	1,112,263	.....
May	3,992,148	393,073	4.385,221	23,744,194	.....	19,358,973
June	1,842,271	94,549	1,936,820	15,890,956	.....	13,954,136
July	6,754,669	345,961	7,100,630	5,821,459	1,278,171	.....
August	4,477,659	269,221	4,746,880	1,587,861	3,159,029	.....
September	2,884,432*	7,500,000†	10,384,432	808,950	9,575,482	.....
Jan. Aug, '66	$30,537,107	$9,295,368	$4[illegible],834,475	$54,000,690	$.....	$13,168,215
do do '65	13,751,750	1,695,459	15,447,209	22,670,116	.....	7,222 907
do do '64	8,864,530	1,859,144	10,723,674	34,935,862	.....	24,212,188
do do '63	9,604.312	1,228,121	10.832,433	32,846,496	.....	22,014,063
do do '62	18,655,651	944,577	19,600,228	42,834,139	.....	23,233,911
do do '61	28,236,403	35,186,730	63,423,133	3,279,814	60,143,319	.....
do do '60	25,529,924	1,152,627	26,682,551	39,456,375	.....	12,773,824
do do '59	29,219,714	1,833,054	31,052,768	55,925,860	.....	24,873,092

The price of gold has fluctuated during the month between 147¼ and 143½—a fraction above the price for the corresponding month of last year, as will appear from the following quotations for each day of the month:

COURSE OF GOLD FOR SEPTEMBER.

Date.	Open'g	High'st	Lowest	Closing.	Date.	Open'g	High'st	Lowest	Closing
Saturday 1	147⅜	147⅜	145⅜	145⅜	Wednesday 19	145⅜	145⅜	145	145⅜
Sunday 2	.....	.....	.....	.....	Thursday 20	145	145	144⅜	144⅜
Monday 3	145	145⅜	144⅜	145⅛	Friday 21	143⅞	144	143⅛	143⅞
Tuesday 4	145⅜	146⅛	145⅜	146⅛	Saturday 22	143⅜	143⅜	143⅜	143⅜
Wednesday 5	146⅜	147	146⅜	146⅜	Sunday 23	.....	.....	.....	.....
Thursday 6	146	146⅜	145⅞	145⅞	Monday 24	143⅜	144⅜	143⅜	144⅜
Friday 7	145⅜	146⅜	145⅜	146⅛	Tuesday 25	144⅜	144⅜	144⅜	144⅜
Saturday 8	146⅜	147⅜	146⅜	146⅜	Wednesday 26	144⅜	145⅛	144⅜	145
Sunday 9	.....	.....	.....	.....	Thursday 27	145⅛	145⅜	144⅜	145
Monday 10	146⅜	146⅜	146⅜	146⅜	Friday 28	144⅞	145⅜	144⅞	145⅜
Tuesday 11	146⅛	146⅜	145⅜	145⅜	Saturday 29	145⅜	146⅜	145⅜	146⅛
Wednesday 12	146⅜	146⅜	145⅜	146⅛	Sunday 30	.....	.....	.....	.....
Thursday 13	146⅛	146⅛	145⅜	145⅜					
Friday 14	145⅜	145⅜	144⅜	145	Sept...1866	147⅜	147⅜	143⅜	146⅛
Saturday 15	144⅜	144⅜	144	144⅜	" 1865	144⅜	145	142⅜	144
Sunday 16	.....	.....	.....	.....	" 1864	245	254⅜	191	193
Monday 17	144⅜	145⅜	144⅜	145⅜	" 1863	127	143⅜	126⅞	141⅜
Tuesday 18	144⅜	145⅜	144⅜	145	" 1862	116⅜	124	116⅜	122⅜

*The Arizona which arrived from Aspinwall on the 1st October brought $1,187,149, of which $1,109,537 was from California. This is properly due to the September account, and if added to the actual September receipts makes the total supply from California for that month $3,993,969. †Estimated.

Below, we give the sale prices at the New York Stock Exchange of Government Securities, represented by the closing sale each day during the month of September, 1866:

PRICES OF GOVERNMENT SECURITIES, SEPTEMBER, 1866.

Day of month.	6's, 1881. Coup.	6's, 1881. Reg.	6's, 5-20 yrs. Coup.	6's, 5-20 yrs. Reg.	5's, 10-40 yrs. Coup.	5's, 10-40 yrs. Reg.	7-30's, 1867.	1 y'r certif.
Saturday... 1	.....	.....	112¾	108¾	99	....	107¾	. ..
Sunday..... 2	.....	.....	.....	.....	....	....	.....	....
Monday.... 3	.....	.....	112	.....	....	....	107¾	....
Tuesday ... 4	112	.....	111¾	.....	99	....	107¾	....
Wednesday 5	112	112	111¾	.....	99	....	106¾	....
Thursday .. 6	111	.....	111¾	.....	98¾	98¾	106¾	....
Friday..... 7	111¼	.....	111¾	108¾	98¾	....	106¾	....
Saturday... 8	.....	111¼	111¼	108¾	98	....	106	....
Sunday..... 9	.....	.....	.....	.....	....	....	.....	....
Monday... 10	....	111	.....	108¾	98	98¾	106	....
Tuesday... 11	.....	.....	111¾	.....	....	....	106	....
Wednesday 12	.....	111¼	110¾	108¾	98	98¾	106	....
Thursday .. 13	111	.....	110¾	108¾	98	....	105¾	....
Friday..... 14	111¾	.....	111¾	.....	98¾	....	106	....
Saturday.. 15	111¾	.....	111¾	108	98¾	....	106¼	....
Sunday 16	.....	.....	.....	.....	....	....	.....	....
Monday ... 17	.....	111¼	111¼	.....	98¾	98¾	105¾	....
Tuesday .. 18	111¾	... .	111¾	.....	99¼	....	106	....
Wednesday 19	111¾		111¾	.....	99¼	....	106	....
Thursday .. 20	111¾	111¼	111¼	.....	...	....	106¼	...
Friday 21	111¾	111¼	111¾	108¼	99	....	.....	....
Saturday ... 22	111¾	.....	111¾	108¼	....	....	105¾	....
Sunday..... 23	.....	.....	.....	.....	....	....	.....	....
Monday.... 24	111¼	111¼	111¼	108¾	97¾	....	105¾	....
Tuesday... 25	111¾	.....	111¼	.....	99	99	106	....
Wednesday. 26	111¼	111¼	111¼	.....	98¾	....	105¾	....
Thursday .. 27	111¾	111¾	111¾	.....	99	....	106	....
Friday 28	111¾	111¼	111¼	108¾	99¼	....	106¼	. ..
Saturday ... 29	.....	.....	112	.....	99¼	....	106¼	....
Sunday 30	.....	.....	.....	.....	....	....	.....	....
Opening. ...	112	112	108¾	108¼	99	98¾	107¾	....
Highest.....	112	112	118¾	108¾	99¼	99	107¾	....
Lowest.....	111	111	108¼	108¼	98	98¾	105	....
Closing.....	111¾	111¾	112	108¾	99¼	99	106¼	....

The following are the closing quotations of the leading stocks on Friday of the last seven weeks:

	Aug. 17.	Aug. 24.	Aug. 31.	Sep. 7.	Sep. 14.	Sep. 21.	Sep. 28.
Cumberland Coal.....	47¾	47¾	47¼	46¾	46¾	48	55¾
Quicksilver	51		49¼	50¾	57¾	....	53¾
Canton Co.....	....	....	52¼	....	53¾	54	54¼
Mariposa pref.....	....	28	....	28	30¾	33¾	30¾
New York Central.....	104¾	104	103¾	103¼	106¾	106¾	114¾
Erie.....	69¾	73	73¾	71	72¾	75¾	79¾
Hudson River.....	....	....	....	120¾	122	120¼	121¾
Reading.....	115¾	115¾	118¾	114	115¾	115	116¼
Michigan Southern.....	85¾	85¾	84¾	84	83¾	85¾	85¾
Michigan Central.....	111	114	112	....	111	118	114¾
Cleveland and Pittsburg	87¾	87¾	86¾	86¼	....	87	89¾
Cleveland and Toledo....	116	116	115¾	114¾	116	117¾	121¼
Northwestern	85¼	86¾	85¾	85¾	84¾	85¼	87¼
" preferred..	67¼	68¾	67¾		66¾	67¾	71
Rock Island	107	109¼	108¾	109	109	111	112
Fort Wayne	104¾	101¾	104¼	101¼	105	105¾	107¾
Illinois Central.....	122¾	123¼	123¾	122	122¼	121¾	123¾

United States securities have shown much firmness in the foreign markets. Five-twenties have sold at London as high as 73¼, and as low as 71¼, notwithstanding the very large amount received from this side. It is significant that one of the first impulses of the reaction from a great panic should be to invest largely in the bonds of the United States Government. Other American securities have also exhibited increased firmness at London. Illinois Central has ranged at 77¼ to 80, and Erie at 44¼ to 48. We append the daily quotations for Consols and American Securities at London for September, as reported by the cable:

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON—SEPTEMBER, 1866.

Date.	Cons for mon.	Am. securities U. S. 5-20s	Ill. C. sh's.	Erie shs.	Date.	Cons for mon.	Am. securities U. S. 5-20s	Ill. C. sh's.	Erie sh's.
Saturday 1	89⅛	73¼	80	46	Tuesday.....18	89⅛	73¼	78¼	47¼
Sunday 2	....	....	....	....	Wednesday 19	89⅛	73⅛	78¼	47¼
Monday..... 3	89⅛	73¼	79¼	46¼	Thursday 20	89⅛	73¼	78¼	47¼
Tuesday..... 4	89⅛	72¾	79¼	46¼	Friday 21	89⅛	72¾	78¼	48
Wednesday 5	89⅛	73	79¼	46¼	Saturday 22	89⅛	72½	78¼	48
Thursday 6	89⅛	72¾	79	46¼	Sunday.....23	....	..	....	....
Friday 7	89⅛	72½	78¼	45	Monday.....24	89	71¾	78	48
Saturday 8	89⅛	72¼	78¼	45	Tuesday.....25	89¼	71¾	77¾	47¾
Sunday..... 9	....	....	....	....	Wednesday 26	89¼	71¾	78	47¾
Monday.....10	89¼	72¼	78¼	45	Thursday 27	89¼	71¾	77¼	47¾
Tuesday.....11	89¼	71¾	78¼	44¾	Friday 28	89¼	71¾	77½	47¼
Wednesday 12	89¼	71¾	78	44¾	Saturday.....29	*No	tele	gram	....
Thursday 13	89¼	72¼	79¼	45¾	Sunday.....30	....	....	....	....
Friday 14	89¼	73	79¼	45¾					
Saturday 15	89¼	72¾	78¼	45¾	Highest.....	89¼	73¼	80	48
Sunday.....16	....	....	....	....	Lowest.....	89	71¾	77½	44¾
Monday.....17	89¼	72¼	78¼	46¼					

The causes indicated above, as having induced a return current of specie, have also produced a severe depression in the rates of foreign exchange. At the beginning of the month, prime bankers' 60 days' bills sold as low as 106¼, or about 3 per cent. below the par of exchange. Subsequently, the purchase of large amounts of bills on speculation and the curtailment of the supply of cotton bills produced a sudden advance in quotations; and, at the close of the month, prime 30 days' bankers' bills were held at 103¼@108¼.

COURSE OF FOREIGN EXCHANGE FOR SEPTEMBER.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1	105⅛@106⅛	545 @535	39 @40	75¾@76¾	35 @35¾	68¾@69¾
2.....	.....	.....	.....	.....	.....	.....
3.....	105⅛@106⅛	542½@535	39 @40	75¾@76¾	35 @35¾	68¾@69¾
4.....	105⅛@106⅛	542½@535	39 @40	75¾@77	35 @35¾	69 @70
5.....	105⅛@106⅛	541¼@532½	39 @40	76 @77¼	35 @35¾	69 @70¼
6.....	106 @106⅛	540 @532½	39 @40	76 @77¼	35 @35¾	69¼@70¾
7.....	106 @106¼	540 @532½	39 @39¾	75¾@77	35 @35¾	69¾@70¾
8.....	105¾@106¼	541¼@531¼	39 @39¾	76¼@77	35 @35¾	69¼@70¼
9.....	.....	.....	.....	.....	.....	.....
10.....	105¾@106¼	535 @530	39 @40	76¼@77¼	35 @35¼	69¼@70¼
11.....	106 @106⅛	535 @527½	39¼@40	76¼@77¼	35 @35¾	69¼@70¼
12	106¼@109¼	530 @525	39¾@40¼	76¼@77¼	35½@36	70 @71
13.....	107 @107½	530 @525	39½@40¼	77 @78	35½@36	70 @71
14.....	107 @107¾	532½@525	39½@40¼	77 @78	35½@36	70 @71
15.....	107 @107¾	530 @525	39½@40¼	77 @77¾	35½@36	70 @71
16.....	.....	.....	.....	.....	.....	.....
17.....	106¾@107¼	530 @525	39¾@40¼	77 @77¼	35¾@36¼	70¼@71¼
18.....	106¾@107¼	530 @525	39¼@40	77 @77¾	35½@36	70½@71¼
19.....	106¾@107¼	530 @525	39¾@40	77 @78	35¼@35¾	70¼@71¼
20.....	107 @107¼	527½@525	39¾@40	77 @78	35¼@35¾	70¼@71¼
21.....	107 @107¼	530 @525	39¾@40¼	77 @78	35¼@35½	70¼@71¼
22.....	107 @107¼	530 @525	39¾@40¼	77 @78	35¼@35½	70¼@71¼
23.....	.....	.....	.....	.....	.....	.....
24.....	107¾@108	527½@522½	40 @41¼	77¼@78¼	35½@36¼	71 @71¾
25.....	107¾@108	525 @520	40¼@41¼	78 @78¼	35½@36¼	71¼@71¾
26.....	108 @108¼	523¾@522½	40¼@41	78 @78¼	35½@36½	71¼@72
27.....	108¼@108½	523½@520	40¼@40¾	78 @78¼	35½@36	71 @72
28.....	108 @108¾	523¾@518¾	40¾@40½	78 @78¾	35½@36¼	71¼@72
29.....	108 @108½	523¾@518¾	40½@40½	78 @78¾	35½@36¼	71¼@72
30.....	.....	.....	.....	.....	.....	.....
Sep.....	105⅛@108⅝	545 @518¾	39 @41½	75¾@78¾	35 @36½	68 @72
Aug.....	105½@108¾	545 @517½	39 @41	75 @79	34½@37	68 @73
July.....	107¾@109½	525 @507½	40 @42	77 @79	36 @37½	72 @75¾
June.....	107¾@110	205 @507½	40 @42¾	77 @80¼	35¾@37½	73 @75
May.....	108¾@109¾	530 @510	40¾@42½	78¼@80	36 @37¼	71 @74
Apr.....	106¼@108¾	537½@517½	39¾@41	76¼@78¼	35 @36½	69¾@71½
Mar.....	106¾@108¾	530@ 518¾	40 @41	77 @78¾	35¾@36¼	70¼@71¾
Feb.....	107¼@108¾	532½@517½	40¼@41	77 @79	35¾@36¼	70¼@71¾
Jan.....	108 @109¼	528¾@515	40¾@41	78 @79½	36 @36¾	71 @71¾
9 mos.....	105¼@109¾	545 @507½	39 @42¾	75 @80¼	34½@37¾	68 @75¾

* No report for Saturday, September 29, came to hand.

There has been no demand of importance for Five-twenties for export, the foreign market having been supplied abundantly, perhaps to excess, by the shipments of August. The price of bonds and of Treasury notes has, however, declined but a fraction from the average quotations of August, the demand from domestic sources for supplying large idle balances having helped to sustain prices

The amount of transactions in Government securities, State, city and railroad bonds at the Stock Boards for last month are given below; the sales at the Boards, however, represent but a small portion of the aggregate operations in Governments, and are an imperfect criterion of the business really done:

SALE OF BONDS—SEPTEMBER.

U. S. Bonds	$6,451,800	Railroad Bonds	$879,200
U. S. Notes	2,425,850		
State and City Bonds	2,984,000	Total Bonds and Notes	$12,739,850

The course of stock speculation since the middle of the month has been steadily upward. Under the purchase of wealthy firms, prices have advanced above anything realised since the wild operations of 1864.

The following statement shows the prices of leading shares at the close of the month, compared with the highest and lowest figures of 1864:

	1864 Low't.	1864 High't.	Sep 29		1864 Low't.	1864 High't.	Sep 29
New York Central	109	145	114¼	Illinois Central	110½	138	123¾
Erie	88	126½	80¾	Clev. & Pittsburg	90	133	89½
Hudson	107	164	124¾	Northwestern	34	88	37½
Reading	111	165	116½	do prefer'd	61	97	73
Michigan Central	114¼	157	115	Rock Island	85¼	149½	113
Michigan Southern	87	118¾	87	Fort Wayne	83¾	152¾	106

The tolal transactions in stocks at both Boards, for September, aggregate 1,427,014 shares, against 1,241,075 shares in August.

JOURNAL OF BANKING, CURRENCY, AND FINANCE

Clearing House refusal to make clearances in bank notes—Redemption of National Bank circulation, defects in the present law—Bank returns of the three cities.

The Clearing-House, at its annual meeting, did a very creditable thing in deciding by an almost unanimous vote that National Bank notes shall not be used instead of greenbacks in making the daily settlements between the Associated Banks. These settlements should be made in cash. It is demanded both by the Constitution of the Association and by the exigencies of the case that nothing but "money" should settle these daily balances. Now National bank notes, as has been well observed, are not money, they are only promises to pay it on demand. Once permit any bank to settle its Clearing-House engagements by its "promises to pay," or by the "promises" of other banks weaker perhaps than itself, and you would introduce an element of disorganization into the financial system which must eventually prove its sure destruction. This would be the case were the value of National Bank notes protected by metropolitan redemption. But while this redemption is not provided for the proposition is absurd, and the wonder is that any one could be found outside of the circle of those that pursue private benefit instead of the benefit of the

country, who would so far risk his reputation for wisdom and financial perspicacity as to propose a change so fatal, so revolutionary, so compromising to the permanence of our National banking system. Consequently, although we do not impugn the motives of the very small minority who expressed themselves in its favor, we do rejoice that there is so great a preponderance of influential opinion, and so resistless a force of intelligent determination, in favor of the principles and the practice of sound banking

The subject of bank note redemption has come up very prominently of late, the convention of Western bankers having decided that they would prefer to dispense with metropolitan redemption because of its expensiveness to them. They would rather enjoy the full profits of a circulation throughout all parts of the country, while making no provision at all for central redemption. The following was the resolution on this subject, which is reported to have been fully adopted:

Resolved, Unanimously, as the sense of this convention, representing the National Banks of the Northwest, that the proposed amendment to section thirty-two of the National Bank Act, as reported by the Hon. Mr. Hooper, of Massachusetts, which requires all the National Banks of the country to redeem their notes of Philadelphia, New York or Boston, meets our earnest and decided disapprobation. We believe the effect of such amendment, if substituted for the provision in the law as it now exists concerning redemptions, will be to seriously embarrass and impede the commercial and financial interests of the entire West and Northwest, by the forced concentration in the eastern cities of a very large portion of the means of the banks which the commercial necessities, especially of the West, required to be used at home. We can see no good reason for ignoring the great commercial centres of the West and Northwest in the manner proposed, and believe that the time has come when it is alike our interest and our duty to demand a recognition of the financial and commercial importance of our section of the country. We therefore earnestly remonstrate against that passage of the proposed amendment, and respectfully ask our Senators and Representatives in Congress to use their efforts to prevent any material alterations of the existing laws concerning redemption.

There is no doubt that it would be a great saving to the banks of the West if they could get their notes into general circulation in the rest of the country, without the expense of redemption in the great metropolitan centre. The advantage of this is seen at once when we reflect that the Western banks would thus get a loan without interest from the distant banks which hold their notes, and would be able to keep afloat a very large amount of currency in various localities where it might be a costly process to send it home. For everyone would prefer paying out these notes, instead of transmitting them across the country, at a great expense for express and insurance, from the far off source from which they were first emitted. Nothing is more evident than that if this non-redeeming plan were permitted to be established, an unfair advantage would be given to the notes of such obscure banks as are established in remote places, solely for the sake of "getting circulation," and of enabling the speculative firms in Wall street and elsewhere who own many of these institutions to make an illicit profit out of the National Banking law. It is for the interest of the whole country that all currency, whether consisting of bank notes or greenbacks, should be at par from Maine to Minnesota, and from the St. Lawrence to the Gulf. This can only be attained by making the bank notes redeemable in lawful money at New York, or, what is the equivalent, at

one of the three great cities; for everybody knows that a bank note which is at par at New York is at par everywhere else in the Union.

It cannot be denied that our National Banking system has, up to this time, worked better, has kept the financial movements of the country more steady, and has done less harm and more good than was believed possible by that large class of persons who advocated its passage as the least of two evils. In all probability it has saved us from one of the most formidable dangers of an era of paper money—that, namely, of unlimitted issues of the notes of ill regulated, irresponsible State banks. The mischievous privileges granted to these old institutions to issue currency were apparently too firmly rooted to be curtailed, and too profitable to be given up. The banking interest in most of the states was so powerful as not to be made war upon with impunity. It did seem, therefore, as if we were doomed to have a currency defying all attempts to regulate its amount, and thus to control its value. Early in the history of our greenback system these difficulties were anxiously pondered, and the result was the elaboration of a banking scheme which provided for the absorption of the old banks, and the suppression of all currency-issuing privileges, except under the most strict conditions. It provides that the notes shall be secured by gold bearing bonds to an amount equal to 10 per cent. more than their face value. These bonds are held in the Department at Washington, and are so endorsed that they cannot be stolen or misappropriated by any dishonest officer of the Government. Hence there is an ample provision for the ultimate payment of the note, should the bank fail which has issued it. For it is clear that broken-bank notes are sure to be eventually paid in full so long as the securities which will be sold for that purpose are worth as much as ninety cents on the dollar. This method of securing a circulation of bank notes is infinitely to be preferred to the vicious plan, which obtained in some of the States, of allowing a bank to issue notes to more than double the amount of its capital, and this, in some cases, without exacting any adequate security. It is even better than the plan adopted for the Bank of England, for beyond the aggregate of sixteen millions sterling its notes are not represented by government securities at all. Here, then, is one of the most excellent features of our banking system. It controls and regulates the currency, by making it certain of ultimate payment in full.

But this is not enough. A note which is sure to be eventually paid is not fit to perform the functions of money, except the holder can get full payment for its face anywhere, at any time, and in any commodities he needs in the market. He must be sure that it will be accepted freely in liquidation of his debts. Bank notes, to be perfect as an internal currency, must be kept at par in every village and hamlet over the whole country. Prior to the war, we never had in this country a paper currency which was everywhere equal in value and negotiable without discount. These advantages we first enjoyed when greenbacks were issued, and the people prized them so highly that they will never again consent to be without them. If the National banks are unable to give us such a currency, they will place themselves under the necessity of giving up their functions as banks of issue altogether. But, we think, the National banks are able to keep all their notes at par. Experience shows us that, if the notes are redeemable in New York, and are thus kept at par here, they will be at par everywhere else.

But, on the other hand, if the notes are not redeemable here, they will be sometimes at a discount, as, indeed, was the case a few weeks ago. At this point it is that we find the most important defect in our system. The existing law does not provide for compulsory metropolitan redemption here. Fortunately for the system, a large proportion of the banks do redeem here. But they are not obliged to do so. And as it is more profitable for a speculative bank in an obscure far-off locality not to redeem here, lest its notes should come back to it too freely, there is a very large number of banks that do not redeem here nor (what is in effect the equivalent) in Philadelphia or Boston. As these institutions can keep out their notes longer than the redeeming banks, it is obvious that they obtain an unfair advantage—that our currency will have a tendency to become vitiated, by coming more and more from weak banks, and that the system naturally offers a premium to the non-redeeming institutions. Mr. Hooper, as is well known, introduced a bill into Congress last session, which was intended to remedy this fault, and in spite of the opposition with which it has met, it will no doubt be passed next session. We find the following very judicious remarks on the subject in yesterday's issue of a morning journal:

It is denied that the Western banks object to any system of par redemption for their notes, "they only object to being compelled to redeem in New York." This is a distinction without a difference. Of course each bank stands ready to redeem its notes when offered at its counter; but neither that nor an arrangement for redemption in any Western city c n make the notes at par throughout the country; and this fact is as well known in Chicago as it is in New York The talk in this connection about "paying tribute" to this city is perfectly ridiculous; interior banks which do not redeem at par here are exacting tribute of New York, and this too when the privileges connected with their circulation will afford ample compensation without the levy of such a tax. There can be no system of par redemption, unless it secures the holders of the notes against their depreciation at the financial centre. To object, therefore, to a par redemption at New York, is to object to any system of par redemption, for no other arrangement will answer this purpose. If the issues in question were disbursed in legitimate business at the points where the several banks were located, and simply followed the law of financial gravitation to New York, there would be a sufficient reason why they should be redeemed here at par on their arrival by the banks which had received all the benefit of the circulation. The notes could then be taken home and again set afloat to renew their course. But it is still more the duty of the banks to provide against a possible redundancy of their issues when the notes are brought in whole packages and paid out here, and unless provided for at par are liable at once to become a charge upon this community. In urging the the establishment of such a system we are consulting as much the well-being of all sound banks, wherever located, as any local interest. Unless this is done there can be no healthful circulation of the national currency; and this principle, if not soon accepted, will vindicate itself ere long in the unavoidable experience of those most concerned.

As yet we have been regarding the banks as being simply banks of issue. But they are also banks of deposit and discount. They are the reservoirs of capital. To them our people lend their disengaged funds, and from them they borrow in time of need. It is easy to see how important it is that institutions which thus deal in credit should be placed ever under the scrutiny of the public. Such disgraceful failures as the Pennsylvania banks, or the Merchants' Bank at Washington, ought to be made impossible. Our system should be so arranged that an unsound bank should not be able to get the confidence of the people. If a bank depart from the rules of legitimate business, if it endanger its own stability and

the security of funds entrusted to its care, if it fails to maintain a due proportion between its liabilities and its available reserve, if it engages in speculation in stocks or produce—the public ought to have the means of discovering the fact. And as one of the means of informing the people, sworn statements of the bank's affairs should be published at very frequent intervals. Publicity is a safeguard against many of the evils of unsound banking, because it affords a means of quickly detecting them. The official examiner of the Bank Department has lately gone through the books of several of the banks of this city. But the fact has been enshrouded with a very unnecessary mystery, as if it were some government secret. Such official reports should be published, so far at least that the people may form their own judgment as to which are the soundest institutions and which are less worthy of trust. This question of increased publicity we would suggest to Mr. Hooper as eminently worthy of attention in the new law which he is to report early next session.

Reference was made just now to the necessity for ample reserves. The provision of the present National Currency Act requires every bank to keep a reserve of cash on hand equal in amount to 25 per cent of the aggregate of its circulation and deposits. A more sound and conservative arrangement it is impossible to contrive, and to its enforcement is in part due the stability and elastic promptitude with which our banking system has been able to respond to the emergency, whenever a panic or severe pressure has convulsed and thrown into temporary confusion the monetary relations of the country. Another circumstance which has contributed to this stability, is the virtual Union of the banks into one organized, complex whole. This union, however, has its dangers, and being of so intimate and vital a nature, it imposes the obligation on every sound bank to discourage the unsound ones, and to favor every arrangement which, like the redemption of the notes, or the enforcement of ample reserves, tends to give strength and stability to the whole organized system.

We give below the bank returns of the three cities. It will be seen that the specie in New York is at a lower point than ever before:

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
Jan. 6, 1866...	$233,185,059	$15,778,741	$18,588,428	$195,482,254	$71,617,487	$370,617,023
" 13.....	231,938,193	16,852,568	19,162,917	197,766,999	73,019,957	608,082,887
" 20.....	239,337,736	15,265,327	20,475,707	198,816,248	72,799,892	538,949,811
" 27.....	240,407,836	13,106,759	20,965,883	195,012,454	70,319,146	516,323,672
Feb. 3.....	242,510,383	10,937,474	21,494,234	191,011,695	68,796,350	508,569,128
" 10.....	242,608,872	10,129,806	22,240,469	188,701,463	68,436,013	493,431,033
" 17.....	243,068,252	10,308,758	22,983,274	189,777,290	64,802,980	471,886,751
" 24.....	239,776,200	14,213,351	22,959,918	183,241,404	61,602,726	497,150,087
Mar. 3.....	235,339,412	17,181,180	22,994,086	181,444,378	58,760,145	526,539,969
" 10.....	233,068,274	16,563,237	23,033,237	180,515,881	64,841,802	594,204,912
" 17.....	233,517,378	15,015 242	23,303,057	185,438,707	68,402,764	579,216,508
" 24.....	231,500,518	13,945,651	23,243,406	185,868,245	69,496,033	593,448,864
" 31.....	237,316,099	11,930,392	23,736,534	188,554,592	72,158,099	529,240,640
Apr. 7.....	242,643,753	11,486,295	24,157,011	189,094,961	71,445,0 5	602,315,748
" 14.....	244,0 09,849	11,055,129	24,533,981	193,153,469	73,910,370	578,587,853
" 21.....	242 067,063	9,495,463	24,045,857	196,809,578	77,6 2,688	535,834,778
" 28.....	245,017,692	8,243,937	25,377,280	202,718,574	80,589,022	545,339,668
May 5.....	2 3,971,134	10 914,997	25,415,677	210,378,803	81,2 4,447	603,556,177
" 12.....	257,621,317	13,970,402	24,693,259	217,552,853	85,040,659	523,094,533
" 19.....	255,690,463	13,595,465	25,189,364	217,427,729	85,710,107	570,342,488
" 26.....	257,9c9,593	19,736,999	26,223,867	208,977,905	73,829,947	713,575,444
June 2.....	250,959,022	21,858,093	26,244, 55	198,12 ,289	69,188, 92	713,575,444
" 9.....	249,593,959	15,821,663	25,967,253	202,503,949	74,628,674	613,656,381
" 16.....	247,301,547	11,217,305	25,887,876	202,415,678	79,179,304	613,698,301
" 23.....	248,436,808	8,504,096	26,585,394	201,969,238	80,840,578	696,447,630
" 30.....	250,884,168	7,797,215	26,706,629	204,357,272	81,832,640	568,842,490

July 7.....	257,534,883	9,865,266	27,296,530	205,799,611	79,541,688	511,182,914
" 14..	259.133,434	12,451,684	27,804,173	207,160,043	75.541,977	637.655,787
" 21.....	255,965,018	10.860,147	27,579,020	213,049,079	80,524,992	598.705,736
" 28.....	256.612,071	9,701,046	27.349,812	214,582,926	84,705,814	430,324,808
Aug. 4.....	256.808,717	9,448,900	27,311,549	214,156,705	86,235,079	523,2'6,814
" 11.....	258,263,063	8,424,209	27,528,532	214,232,263	86,861,884	494,810,975
" 18.....	261,951,924	7,545,513	27,796,904	214,310,576	84,800,071	554,655,345
" 25.....	265,901,065	6,884,077	27,958,464	218,119,450	86,283,483	617,950,350
Sept. 1	265.399,607	6,881,6 0	27,807,834	225,191,283	92,, 22,808	586,864,059
" 8.....	26 ,941,668	7.45 .910	28,506,268	225,107.991	90,194,254	591, 0 ,135
" 15..... .	270,806, 04	7,357 369	29,360,371	2 4,844,647	90,773,239	567,299,212
" 22.....	272,177,166	7,662.611	28,770,381	224.394.663	90,428 189	605,290,424
" 29.....	269,807,383	7,643,960	29,213,950	223,856,785	87,896,(21	....

The returns of the Philadelphia Banks have been as follows:

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
Jan. 2, 1866.....	$17,181,229	$45,941,001	$890,822	$7,226,369	$35,342,306
" 8.....	17,236,320	46,774,150	983,685	7,319,528	36,618,004
" 15.....	17,267,412	47,350,428	1,007,186	7,357,972	36,947,700
" 22.....	17,052,559	47,254,622	1,012,980	7,411,337	36,214,653
" 29.....	16,344,277	47,607,558	1,008,825	7,432,534	35,460,881
Feb. 3.....	16,481,005	47,233,661	1,000,689	7,668,365	34,681,135
" 10.....	16,852,737	47,249,383	996,312	7,819,599	34,464,079
" 17.....	16,777,175	46,981,337	953,207	7,843,002	33,926,542
" 24.....	17,282,602	46,865,592	1,026,406	7,732,070	33,052,252
Mar. 3.....	17,447,635	46,604,752	1,041,392	8,1'1,049	32,835,094
" 10.....	17,293,534	46,546,878	1,035,694	8,248,100	32,504,508
" 17.....	16,875,606	46,690,788	1,026,068	8,438,184	32,102,497
" 24.....	15,969,814	46,642.150	981,932	8,580,300	32,144,250
" 31.....	15,954,832	46,043,488	990,630	8,666,230	32,257,653
April 7.....	16,622,233	46,028,641	946,282	8,720,270	32,762,280
" 14.....	18,323,759	45,114,699	949,116	8,743,896	34,640,864
" 21.....	18,660,513	45,762,758	936,876	8,761,213	35,448,955
" 28.....	18,949,719	46,832,784	890,241	8,779,166	36,032,862
May 5.....	19,144,660	48,006,654	912,023	8,794,348	36,987,007
" 12.....	19,646,263	48,236,256	896,741	8,930,420	38,414,588
" 19.....	19.648,233	48,336,567	897,913	8,918,938	37,296,645
" 26.....	19,715,093	48,036,984	867,094	8,988,742	37,078,418
June 2.....	21,154 909	47,564,996	890,121	9,022,553	38,189,566
" 9.....	21,568,065	48,118,897	859,633	9,007,515	38,326,934
" 16.....	20,548,591	48,616,145	897,381	9,219,553	36,972,476
" 23.....	21,105.316	48,166,814	899,999	9,290.094	36,715,308
" 30.....	21,455,836	48,266,904	883,454	9,395,475	37,242,979
July 7.....	20,546,695	48,892,594	866,981	9,431,664	38,275,788
" 4.....	2 1,311,668	49,498,405	852,783	9,442,146	37.707,467
" 21.....	21,312,'05	49,009,316	849,770	9,427,36	37,575,560
" 28.....	20,9 2,37	48,935,067	826,096	9,382,473	37,270,8 5
Aug 4.....	20,393,826	49,682,529	825,978	9,516,794	37,244,034
" 11.....	20,060,536	49,164,321	835,158	9,548,472	36,639,226
" 18	19,863,685	48,530,454	811,230	9,566,783	36,042,311
" 25.....	20,41 ,323	48,591,763	807,071	9,575,584	36,025,288
Sept. 1.....	24,040,254	50,095,890	806,815	9,589 574	41,162,627
" 8.	24,134,918	50,320,068	826,345	9,608,410	41,604,903
" 15.....	24,5 8,358	49,889,015	802,922	9,605,817	41,093,120
" 22.....	24,906,9 5	50,787,371	793,395	9,601,273	42,836,971
" 29.....	24,073,963	51,(37,567	783,094	9,598,497	43,693,575

The returns of the Boston Banks are as follows:

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, $41,900,000.)

	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation— National.	Circulation— State.
January 1.....	$91,421,477	$801,415	$19,807,300	$38,451,794	$21,497,354	$1,404,721
" 8..... ..	92,245,129	1,031,327	19,914,065	41,718,132	21,806.180	1,82 ,793
" 15.....	92,959,864	1,029,105	20,438,014	40,939,870	21,946.595	1,273,948
" 22.....	92,665,111	1,040,114	20,750,698	40,300,6 9	22,084.642	1,215,675
" 29.....	92,677,783	1,008,013	20,544,830	39,153,816	21,899,318	1,157,848
February 5.....	94,578,358	805,287	20,568,195	40,486,163	22,325.428	1,125,728
" 12.....	94,083,827	692,591	20,412,589	38,768,019	22,848,688	1,057,323
" 19.....	95,250,429	508,428	20,418,909	38,494,696	22,602,531	1,033,391
" 26	93,539,040	521,292	20,262,177	36,898,481	22,887,971	1,048,022

March	5.....	92,990,512	556,856	20,084,968	35,581,876	22,606,835	1,006.719
"	12.....	90,705,159	628,938	19,905,120	35,297,498	22,730,329	721.809
"	19.....	91,902,811	606,992	20,470,018	36,696,321	24,018,916	910,740
"	26.....	91,931,236	513,153	20,913,521	35,887,368	23,019,887	901,620
April	2.. ...	92,351,979	532,556	20,761,014	36,697,227	23,087.693	869,329
"	9.....	92,142,975	487.455	20,334,570	37,426,560	23.266 612	880,089
"	16.....	91,250,882	457,648	19,902.647	37,606,696	23,635,043	777,198
"	23.....	86,120,897	411,693	19,309,145	36,946,182	22,469,488	744.041
"	30... ..	86,723.001	401,118	19,549.614	38,396,210	22.856,656	744,425
May	7.....	90,369,569	576,150	21,415,716	41,205.276	23 516,330	719,688
"	14.... .	90.328,554	501,013	22.462,522	42,021,976	23,551,579	695,527
"	21.....	89,634,864	472,172	22,973,509	41,61 ,149	23,195,968	661,529
"	28.....	91,833,402	436.391	23,658,956	41.631,746	23,722,277	644,658
June	4.....	92 287,648	503,991	26,148,678	42,992,749	23,679.0 5	609,371
"	11.....	89,878,998	374,966	25,470,926	42,858,986	22,916,559	480,599
"	18*.....	87,568,583	371,596	24,426,749	41,992,890	21,845,977	544,941
"	25.....	94,336.170	323,335	25,019.436	42,587,020	23,633,008	507.371
July	16.....	96,047,000	453,600	21,610.000	40,407,000	24,145,000	413.000
"	23.....	95,995.866	441,689	22,786.738	40,935 853	24,057,765	401,544
"	30†.....	95,002,698	363,776	22,242.659	39.7 0,363	23,804,526	355,864
August	6.....	96.672,749	318,779	22,482,317	40,549,379	24.116,795	380,980
"	13	95,771.749	295.241	21.101,481	39,192,620	24,104.997	292.734
"	20.....	94,915,075	333,670	20,817.159	38,619,847	24,290,816	368,168
"	27.....	94,819,253	328,083	2 ,688,693	39.028,518	24,262,817	363,405
Sept.	3	95,387,808	264,863	22,071,251	39,856,550	24 240,925	344.773
"	10	94,873,709	314,204	21.580.730	39,149 497	24.295.875	356.075
"	17	94,788,268	326,830	20,303,416	38.357.208	24,345,328	351,401
"	24	93,825,673	316,771	20,977,954	40.014,189	24,344,545	336,465
Oct.	1	93,676,888	277,806	21,037,280	42,095,214	24,288,047	343,408

* No returns from National Bank of Redemption. † No returns from the Traders' Bank.

INTERNAL REVENUE INSTRUCTIONS—ARTICLES EXEMPT FROM TAXATION.

The Internal Revenue Bureau has just issued instructions to the United States assessors concerning the exemption of articles and products from taxation under the 10th section of the act of July last, from which it appears that packing boxes, understood and taken on the technical and mercantile signification, are exempt, but packing boxes made of paper or other material than wood, except those made for friction matches, cigar lights, and wax tapers, are taxable. All dry barrels and casks, made water tight, are taxable, though not used for or intended to hold fluids alone.

The exemption of building stone applies only to the ordinary stones, and not to articles manufactured from stone, marble, or slate. The exemption of mouldings for looking glasses and picture-frames applies only to mouldings used for the purposes enumerated. The law does not exempt other mouldings nor looking glass or picture frames made from mouldings. These are subject to a tax of five per cent *ad valorem*, however made.

The exemptions under the head of printing paper of all descriptions, and tarred paper for wiping and other purposes, are confined strictly to these descriptions. Paper technically known as printing paper is exempt. All other kinds, whether writing paper, wrapping paper, drawing paper, paper hangings, blotting paper, felting paper, and the like, are taxable, and paper made for tarring if sold dry, is liable to a tax.

The exemption of flax and the manufactures thereof includes and carries all the exemptions of flax prepared for textile or felting purposes etc.; but a manufacturer who makes articles of dress for the wear of men, women, and children, from cloth of fabrics purchased in the markets, or purchased from the manufacturer thereof, is not entitled to exemption from tax.

A manufacturer who makes cloths, fabrics, or articles partly of flax and partly of other materials is not to be regarded as a manufacturer of flax, nor are such mixed products exempt from taxation.

Exemptions are to be construed literally. The exemption in the new law specifies only the hulls of ships and other vessels. Boats propelled by oars cannot be regarded as vessels, and are liable to a tax of five per cent. Iron drains and sewer pipes are exempt, but not gas or water mains or pipes. Medicinal and mineral waters are exempt, but not sarsaparilla, pop, root, and the like beer.

Cordage, ropes and cables, made of vegetable fibres, are taxable when not used as a part of the rigging or tackle of vessels.

Photograph albums are not regarded as books within the meaning of the excise law. They are liable to an ad valorem tax of five per cent. Photographs and other sun

pictures, when sold by the producer at wholesale at a price not exceeding fifteen cents each, or are used for the illustration of books, are exempt. All others are subject to an ad valorem tax of five per cent.

The exemption of the repairs of articles of all kinds does not extend to the material used in making repairs, when such materials are in themselves taxable manufactures. The exemption of car wheels, thimbles, skeins and pipe-boxes and springs, tires and axes made of steel, used exclusively for vehicles, cars or locomotives, is restricted in the material from which they are made, and in the uses to which they may be applied. They must be made of steel, and used exclusively for vehicles, cars or locomotives. The law exempts the finished umbrella and parasol, and also the sticks and frames made for the same, but the *handle* is declared by the Commissioner to be taxable.

By the tenth section of the act of July, the value of bullion used in the manufacture of wares, watches and watch cases, and bullion prepared for the use of platina and watch makers, is exempt from internal tax. All bullion which is used by manufacturers is not therefore exempt from tax, but only such as is used and prepared under the provisions of the above-named section. Bullion used in the manufacture of jewelry is not exempt. Gold and silver rings, bracelets pins, charms, etc., are regarded as jewelry, but gold pens, thimbles, spectacle frames, etc., are regarded as wares. Yarn and warps are exempt from taxation when made and sold or used as material out of which are fabricated cloths or articles of wearing apparal for household or other uses, which cloths or other articles are liable to taxation under the provisions of section ninety-four. Manufacturers having on hand yarns or warps on which a tax has been paid are entitled to pay tax only on increased value, where the same are made into cloth, or fabrics or articles.

Wire, on which no tax has been previously paid as wire, is liable to a tax of five per cent. upon the price at which it is sold, whether that price is sixty cents, one dollar, or two dollar per pound. The law imposes a tax of five per cent *ad valorem*. The assessment of the tax must be at that rate. The amount of tax depends on the value of the wire.

Castings of iron of all descriptions not otherwise provided for are subject to a tax of three dollars a ton. The castings otherwise provided for are malleable iron castings, unfinished castings, made especially for locks, safes, looms, spinning machines, steam engines, hot air and hot water furnaces, and sewing machines, and castings for iron bridges. These castings, when not sold or used for any other purpose, and when a tax is assessed and paid on the article of which the casting is a part, are exempt from taxation. Castings of all descriptions made for articles, machines, or instruments, other than those specially enumerated, are liable to tax. The words "castings of all descriptions" include castings of brass and other metals, or combination of metals, as well as castings of iron. Woodenware, as used in the section of the new law, can only be construed to exempt such articles or implements of kitchen or household use as are made exclusively of wood, and technically known as woodenware, viz: Tubs, pails, chopping boards and trays, wooden plates, bowls, dishes, spoons knives, ladles, rollers, pins, moulds, prints, mortars, pestles, dippers, ironing boards, pastry and meat boards, wash boards, clothes sticks, clothes horses, &c., &c Other articles made of wood, such as churns, boxes, kegs, firkins, fish-kits, measures, saw-frames, ladders, pumps, &c., are liable to an *ad valorem* tax of five per cent.

COLLECTION OF THE COTTON TAX.—DECISION OF THE TREASURY AS TO RE-DISTRICTING THE SOUTH.

The following is the letter of the Attorney General with regard to re-districting the South so as to make the collection of the tax less oppressive.

ATTORNEY-GENERAL'S OFFICE, September 29.

Hon. Hugh McCulloch, Secretary of the Treasury.

SIR: I am in receipt of your letter of the 27th, requesting my opinion on the following point: Whether the laws imposing a tax on cotton and providing for its collection so restrict the executive authorities as to forbid the arranging of the cotton States into a single cotton district for the purpose of collecting the tax on cotton, having

reference to the cotton tax only, and without necessarily involving any change of districts which may be most convenient for the collection of other taxes. I am clearly of opinion that such a consolidation of the cotton-growing States as is described by the terms of the foregoing inquiry, into a single collection district for the purpose of levying and collecting the duties imposed by the Internal Revenue laws upon cotton, cannot lawfully be effected under the existing provisions of those laws. The authority conferred upon the President by the act of June 30, 1864, Section 7, to alter the respective collection districts as the public interest may require, enables him only to modify from time to time, as may be required, existing arrangements of the several districts designated by him for the levying and collection of all the duties and taxes prescribed and imposed by the acts of Congress relating to internal revenue. By the original act of July 11, 1862, the President was empowered simply to divide respectively the States and Territories of the United States, and the District of Columbia, into convenient collection districts. Soon after the passage of this act a question arose as to the authority of the President to alter the arrangement of collection district made and established by him in pursuance of this provision of law. That question was carefully considered by my predecessor, Attorney General Bates, who gave his opinion that the President when he made the original division of the States into collection districts exhausted his powor in the premises, this was held on the general principle that where an act of Congress establishing a general system confers on the President the authority to do a specific act for the purpose of perfecting the means by which the system shall be carried into effect. The act of the President, when performed according to the terms of the statute, have all the validity and authority of the statute itself. (U. S. Opin., Bates, A. G., p. 384.)

This view of the law having been adopted by the Treasury Department, Congress was applied to for additional legislation conferring the authority, which was not contained in the original act. The 7th section of the act of June 30, 1864, was accordingly enacted to remedy the particular defect which was found to exist in the statute of 1862. It is too clear to admit of doubt that "collection districts," within the meaning of the act, are those districts respectively in which the internal duties and taxes imposed by law upon all the subjects of taxation are collected in the manner and by the officers designated in the statute. The districts cannot be established or arranged with reference to the duties imposed on particular subjects. That is not the plan upon which the internal revenue laws proceed. Such an arrangement as is proposed in the memorials which you have submitted to me should not be carried into effect with the machinery established by existing law for the collecting of internal duties. The President has no power to appoint a special collector for the tax imposed on the particular article of cotton, nor could he designate any one of the district collectors as the officer who should proceed throughout the entire cotton territory and collect the tax on that article wherever found. The mischiefs of the present system complained of by the Chamb ers of Commerce of Mobile and New Orleans can only be remedied by Congress.

The act of July 13, 1866, to which reference is made by the memorialist, contains all the exceptional provisions as to the tax on cotton which Congress deemed to be necessary, and those provisions, instead of giving authority to make the additional exception now requested, seem to me wholly inconsistent with it.

I have the honor to be, &c.,

HENRY STANBERRY, Attorney General.

LETTER FROM SECRETARY McCULLOCH—A REVISION OF THE TARIFF.

The following letter of instructions has been addressed by the Secretary of the Treasury to Mr. Wells in regard to the proposed revision of the tariff at the next session of Congress. It is understood that the office of the Commissioner of the Revenue will be at the New York Custom-House during the month of October.

"WASHINGTON, September 10, 1866.

"To the Hon. David W. Wells, United States Commissioner of Revenue:

"SIR—In view of the fact that the revision of the tariff is certain to engage the attention of Congress at the next session, I consider it especially desirable that the

Treasury Department should be prepared to furnish as much information pertinent to the subject as can be obtained and collected within the limited time available for the necessary investigations. You are, therefore, hereby instructed to give the subject of the revision of the tariff especial attention, and to report a bill which, if approved by Congress, will be a substitute for all acts imposing customs duties, and which will render the administration of this branch of the revenue system more simple, economical and effective. In the discharge of this duty you will consider the necessity of providing for a large, certain, and permanent revenue, keeping in view the fact that the existing tariff has proved most effective in this direction.

"You will therefore endeavor, first, to secure for the Government a revenue commensurate with its necessities; and, secondly, to propose such modifications of the tariff laws now in force as will better adjust and equalize the duties upon foreign imports with the internal taxes upon home productions. If this last result can be obtained without detriment to the revenue by reducing taxation upon raw materials and the machinery of home production, rather than by increasing the rates of imports, it would, in my opinion, by decreasing the cost of production and increasing the producing power of wages, greatly promote the interests of the whole country. In the prosecution of this work, you are authorized to call upon any officer of the revenue for such information as you may require and he may be able to furnish. I am, with great respect, very truly yours,

"H. McCulloch, Secretary of the Treasury."

TELEGRAPH LAW OF THE UNITED STATES.

The following is an official copy of the act to aid in the construction of telegraph lines, passed at the late session of Congress, and appoved by the President July 24:

An act to aid in the construction of telegraph lines, and to secure to the Government the use of the same for postal, military, and other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any telegraph company now organized, or which may hereafter be organized under the laws of any State in this Union, shall have the right to construct, maintain, and operate lines of telegraph through and over any portion of the public domain of the United States, over and along any of the military or post roads of the United States which have been or may hereafter be declared such by act of Congress, and over, under, or across the navigable streams or waters of the United States: Provided, That such lines of telegraph shall be so constructed and maintained as not to obstruct the navigation of such streams and waters, or interfere with the ordinary travel on such military or post roads. And any of such companies shall have the right to take and use from such public lands the necessary stone, timber, and other materials for the posts, piers, stations, and other needful use in the construction, maintenance and operation of said lines of telegraph, and may pre-empt and use such portion of the unoccupied public lands subject to preemption through which its said lines of telegraph may be located as may be necessary for its stations, not exceeding forty acres for each station; but such stations shall not be within fifteen miles of each other.

Sec 2. And be it further enacted, That telegraphic communications between the several departments of the Government of the United States and their officers and agents shall, in their transmission over the lines of any of the said companies, have priority over all other business, and shall be sent at rates to be annually fixed by the Postmaster General.

Sec. 3. And be it further enacted, That the rights and privileges hereby granted shall not be transferred by any company acting under this Act to any other corporation, association, or person: Provided, however, That the United States may at any time after the expiration of five years from the date of the passage of this Act, for postal, military or other purposes, purchase all the telegraph lines, property, and effects of any or all of said companies at an appraised value, to be ascertained by five competent, disinterested persons, two of whom shall be selected by the Postmaster General of the United States, two by the company interested, and one by the four so previously selected.

SEC. 4. And be it further enacted, That before any telegraph company shall exercise any of the powers or privileges conferred by this Act, such company shall file their written acceptance with the Post master General of the restrictions and obligations required by this Act.

Approved, July 24, 1866.

THE BOOK TRADE.

Statistical Information Relating to Certain Branches of Industry in Massachusetts for the year ending May 1, 1865. Prepared from official returns by OLIVER WARNER, Secretary of the Commonwealth. Boston: WRIGHT & POTTER, State Printers. 1 vol., 8vo., pp. 805.

This imposing volume, relating to the general industry of Massachusetts, has just appeared, and a copy has been sent to this office by the Hon. Oliver Warner, Secretary of that Commonwealth, under whose charge the information it contains has been collected and arranged. Like all Massachusetts State documents, its subject-matter is given in sufficient detail and in well-arranged form, attesting the importance the State authorities attach to the proper representation of their home-interests and businesses before the world

The information contained in the volume was collected under an Act of the Legislature, approved April 24, 1865. This Act requires statistical details relating to no less than *two hundred and seventeen* different industries, which are specifically named in it, and the extent of enquiry into each (according to its importance) prescribed. This minuteness is remarkable in legislation, and, in connection with the result, shows how great care has been taken from first to last to furnish full and reliable statistics in relation to the industrial resources and wealth of the State.

The present report is the fourth of a series of such statistical publications referring to the manufactures and other productive interests of the Commonwealth. The first was made up in 1838, and showed the value produced in that year to have been $86,000,000. The second issue referred to 1845, in which year the value is stated at $124,000,000. In 1855, according to the third report, the production in that year is set down at $295,000,000 The returns for 1865 (contained in the volume now referred to) show for that year the aggregate products of industry have attained the enormous value of $517,000,000. Thus, we find that in less than thirty years the productive valuation has increased from 86 to 517, being six times as large in 1865 as it was in 1838. The increase from 1845 to 1855 was equivalent to 138 per cent., and from 1855 to 1865 equal to 75 per cent. The results of comparisons such as these cannot fail to strike the most casual observer. They indicate the ceaseless progress of the State in the development of its industries, and its march to wealth and influence in the nation. The results of the decade closing with 1865 are the more remarkable, since they were achieved within a period, during the latter part of which the country had been subjected to the strain of an exhausting war, when, of necessity, a large proportion of the classes usually employed in industrial pursuits changed from being producers to become consumers.

We will now exhibit a few of the results of the enquiries made in 1865. These may be stated thus—

Aggregate Capital invested	$171,491,953
Persons employed (in agriculture 68,636, and in manufactures 271,421)	340,057
Value of products (more than $1,500,000 a day)	517,240,610

—facts well illustrating the indomitable perseverance of a people whose natural productions have been said to be only "ice and granite," and whose industry, united with intelligence, has not failed to win substantial triumphs over the disadvantages of soil and climate.

The following statement shows the distribution of manufacturing values by counties:

Barnstable	$6,090,022	Franklin	$7,988,522	Norfolk	$36,771,397
Berkshire	24,951,498	Hampden	28,016,816	Plymouth	17,682,246
Bristol	55,033,314	Hamp-hire	13,143,957	Suffolk	86,349,174
Duke's	545,310	Middlesex	88,102,442	Worcester	76,271,794
Essex	81,107,926	Nantucket	261,365		

The predominance of Suffolk, by far the smallest county of the State, comes from the large amount of clothing manufactured ($15,186,183), the value of coastwise freights ($9,242,643), &c.

A comparison of some of the leading products, as exhibited in the abstracts of 1855 and 1865, is here presented, which shows largely increased results with the single exception of the whale fisheries. The reduced number of hands employed in cotton and the boot and shoe interest, which is quite marked, will very probably be accounted for by the introduction of labor-saving machinery.

	Hands.		Capital employed.		Value produced.	
	1855.	1865.	1855.	1865.	1855.	1865.
Cotton	34,787	23,678	$31,961,000	$33,298,986	$36,140,588	$54,436,881
Calico and Delaine	1,157	4,208	1,960,000	4,299,000	5,213,000	25,258,708
Woolen	10,090	18,433	7,305,500	14,735,830	12,105,514	48,490,671
Paper	2,630	3,554	2,564,500	3,735,300	4,141,647	9,008,581
Rolled and slit iron and nails	3,025	3,194	2,342,925	2,827,300	5,512,816	8,436,502
Printing and newsp	1,134	2,409	749,550	1,919,400	1,351,318	5,358,148
Clothing	1,758	24,722	2,770,600	4,634,440	9,061,896	17,743 894
Tanning and currying	3,143	3,847	4,152,496	4,994,933	10,934,416	15,821,712
Boots and shoes	74,326	55,160		10,067,474	87,489,923	52,915,943
Whale Fishery	11,364	3 496	14,546,548	5,879,863	7,666,996	6,618,670
Mackerel and Cod Fishery	10,551	11,518	3,696,436	3,757,761	2,8 9,640	4,832,314
Horses, oxen and cows					15,423,531	19,154,796
Hay					8,702,317	18,195,270

In the manufacture of cotton, the following is the order of the counties: Bristol, $11,836,681; Essex, $11,707,241; Middlesex, $8,909,439; Worcester, $8,878,295; Hampden, $7,354,880; Berkshire, $2,964,200, and Hampshire, $1,303,205. Barnstable, Nantucket and Dukes manufacture no cotton goods, and the others return under a million dollars each. It will be seen, therefore, that in this respect Bristol takes the lead.

In the manufacture of calicoes and delaines Essex returns the largest amount, $9,329,439; next Bristol, with $7,020,000; Middlesex, $5,356,322; Worcester, $1,853,692, and so on.

Worcester is the great woolen county, with a value of $12,917,388 against $7,859,826 in Middlesex, $3,042,913 in Hampden, $2,683,625 in Norfolk, $11,450,818 in Essex, and $6,726,025 in Berkshire. Worcester appears to be the leading county for the manufacture of shoddy, returning $270,991 out of $653,799 in the entire State. Berkshire and Plymouth are the two great pig

iron counties, the former manufacturing $776,520, the latter $748,275. Suffolk is ahead of all other counties in the manufacture of locomotives, steam engines and boilers, the value being $3,414,000. Bristol comes next, with $1,103,550.

In the manufacture of glass Barnstable is far ahead, with $640,000. Suffolk is the first in the manufacture of hoop skirts, the value being $257 768. with Norfolk next, $112,500; the total value throughout the State was $547,107. Essex is the leading boot and shoe county, manufacturing $18,101,197; Worcester is next, with $10,161,910; Middlesex follows with $8,778,463; Norfolk, $7,816,072; Plymouth, $6,422,660. In the mackerel and cod fishery Barnstable stands undisputably the first, with a value of $2,224,403 against $1,684,052 in Essex.

In the whale fishery Bristol leads with $6,057,469. Middlesex and Norfolk are the great brewery counties. Middlesex produces the largest value of fruit, and Worcester of hay. The latter county is also the foremost in horses, oxen, cows, &c. In beef, pork, mutton, veal and swine Middlesex stands highest; also in milk. In fact, Worcester and Middlesex are two of the greatest agricultural as well as manufacturing counties of the State.

A few details respecting the more prominent industries will be appropriate:

Cotton.—Mills 214; spindles 1,913,756; hands 23,678, viz.: 8,892 males and 14,786 females; capital $33,293 986; cotton consumed 46 686,250 lbs.; gross value of stock used $49,683,919; cloth manufactured 167,665,364 yards, valued at $46,554,041; yarn (not manufactured into cloth) 3,558,875 lbs., valued at $3,794,758; cotton thread 283,053 lbs., valued at $449,039; batting 952,327 lbs., valued at $222 910; pelisse wadding 73,950 bales, valued at $20,300; cotton flannels 3,210,570 yards, valued at $1,562,258; quilts and counterpanes 42,247, valued at $180,887; value of all other cotton manufactures $1,652,688. Total value of manufactured cottons $54,436,881.

Calicoes and Delaines.—Establishments 12; hands 4,208, viz.: 2,506 males and 1,702 females; capital $4,222,000; and as follows: Calicoes printed 53,489,434 yards; delaines printed 28,617,679 yards, and goods bleached and colored but not printed 7,355,900 yards. The value of the calicoes printed was $10,528,619 before and $13,951,691 after printing, showing an increase from the operation of $3,426 072, or about 33 per cent. The statistics of delaines and of bleached and colored goods are defective.

Woolen Goods.—Mills, 218; sets of machinery, 1,157; hands, 18,433, viz.: 9,583 males, and 8,850 females; capital, $14,735,830; scoured wool consumed, 28,790 078 lbs.; gross value of stock used, $35,374,296. Products, viz.: broadcloth, 3,457,702 yards ($7,000,650); cassimeres, 15,412,242 yards ($22,346,013); satinets, 6,471,642 yards ($4,080,719); Kentucky jeans, 628,680 yards ($754,686); flannel or blanketing, 20,037,875 yards ($10,096,135); shawls, 577,556 ($1,212,054); table and piano forte covers, 99,833 ($208,035); wool yarn, 1,420,879 lbs. ($1,037,828); and all other woolen goods, $1,694,753. Total value, $48,430,671.

Clothing.—Establishments, 601; hands, 24,722, viz.: 2,150 males, and 22,578 females; capital, $4,630,440; stock used, $11,092,434; product, $17,743,894.

Boots and Shoes.—Hands, 55,160, viz.: 42,626 males, and 12,543 females; value of stock used, $35,040,544; products—pairs of boots, 7,249,921, and shoes, 24,620,600; value of products, $52.915,243.

With these selections, we close, recommending all persons interested in such matters to procure the volume and study its wonderful developments. It is one of those publications that will have a lasting value in American statistical literature.

The Home Life; in the Light of its Divine Idea By JAMES BALDWIN BROWN, B.A., Minister of Clayland's Chapel, Clapham Road, London, &c. New York: D. APPLETON & Co., 1866.

This author, an English independent clergyman, has attempted in a series of simple lectures to set forth the true Christian life in the several domestic relations. They may be perused with profit by all, and the council which they contain, though it may have been often reiterated, is still wholesome and not prudently disregarded.

Appleton's Hand Book of American Travel. By EDWARD H. HALL. New York D. APPLETON & Co., 1866.

This book is all that it professes to be, a hand-book and guide through the Southern States, with maps and descriptive sketches of the cities, towns, waterfalls, battle-fields mountains, rivers, lakes, watering places, summer resorts, scenes of interest, &c. It is carefully prepared, explicit; and to the tourist is an invaluable companion. It gives a brief outline description of the objects which he desires to understand, and enables him to make his journey interesting, because undertaken with intelligent ideas of the region which he is visiting.

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The following advertisements appear in our advertising pages this month:

MERCANTILE.

Howard & Co.—619 Broadway—Diamonds, Watches, Holiday Gifts, etc.
Mercantile Library—Clinton Hall, Astor Place and Eighth St.
Julius Ives & Co.—49 Maiden Lane—Patent Lamps.
Ferdinand Korn—195 Fulton St.—Eau de Cologne.
Lewis Andendried & Co.—110 Broadway—Anthracite and Bituminous Coal.
J. C. Dull's Son—Soap and Candles.
Grover & Baker—495 Broadway—Sewing Machines.
A. B. Sands & Co.—139 and 141 William St.—Drugs.
Wm. Duryea, agent—166 Fulton St.—Maizena.
J. W. Bradley—97 Chambers St.—Hoop Skirts.
Stodart & Morris—684 Broadway—Pianos.

BANKERS & BROKERS.

DeWitt, Kittle & Co.—88 Wall St.
Wells, Fargo & Co.—84 Broadway.
Simon De Visser—52 Exchange Place.
Duncan, Sherman & Co.—Cor Pine & Nassau.
J. P. Morton & Co.—35 Wall Street.
J. J. Cisco & Son—33 Wall St.
Robinson & Ogden—4 Broad St.
Howe & Macy—30 Wall St.
Gilmore, Dunlap & Co.—Cincinnati.
Lewis Johnson & Co., Washington.

INSURANCE.

Marine—Atlantic Mutual Ins. Co.—51 Wall St.
Mercantile Mut. Ins. Co.—35 Wall St.
Orient Mutual Ins. Co.
Sun Mutual Ins. Co.—49 Wall St.
Great Western Insurance Co.
Fire—Hope Fire Ins. Co.—92 Broadway.
Morris Fire and Inland Ins. Co.—31 Pine.
Germania Fire Ins. Co.—175 Broadway.
Ætna Insurance Co.—Hartford.
U. S. Life Insurance Co.—40 Wall St.

THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

NOVEMBER, 1866.

THE EVENING STAR—DEFECTS IN VESSELS IN OUR COASTING SERVICE.

We notice that a daily paper refers to the commander of the steamship Evening Star, which was lost off the coast of Florida on the 3d of October, as an unqualified and inexperienced navigator. So far from this being the case, we know him to be one of the best men in the service, who, for his personal qualities and nautical skill, was held in very high esteem. The Evening Star belonged to the New York Mail Steamship Company, and is said to have been the favorite vessel of the line. Captain Knapp had the entire confidence of the company, as he has of this community, and the disaster which occurred cannot in any degree be imputed to omission or incompetency on his part.

Just at the present time, however, it must be remarked, disasters to vessels employed in the coasting trade have been unusually numerous. Within the brief period of ten days, we notice among others disabled or lost, the Evening Star, the Daniel Webster, the Andrew Johnson, the Sheridan, the Santiago de Cuba, and the Starlight. It is evident that there must have been some cause other than bad weather to be charged with so much shipwreck. We are aware that there have been of late severe storms and gales, and so there are each fall and winter, and those of the present season furnish little excuse, for our vessels should be able to encounter the ordinary storms successfully, and would be in most cases if there were not radical defects existing in the vessels themselves.

Our coasting service is one of great difficulties. The storms which prevail at certain seasons of the year on the Atlantic seaboard are the most severe of any occurring in the usual routes of navigators. The liabilities of foundering at sea or of being driven on shore in a gale are very great unless the vessel is not only seaworthy, in the usual sense of the term, but

especially adapted for the exigencies of the service. The first requisite is great strength of construction. On no other route is this so necessary. One may cross the ocean safely and ride through very severe storms in a vessel which should not be engaged in the Southern trade during the fall or winter months. Remembering this, what shall we say of the Andrew Johnson, which was lost off Currituck beach, a gunboat during the war, well known to our readers under the name of the State of Georgia, suffering badly in several engagements? This is not a solitary exception. A majority of the steamers now engaged in the coasting trade are nothing but altered over Government vessels, many of which have been almost wrenched to pieces by broadsides fired from them. Are these old hulks fit for the fall and winter coasting trade?

We are aware that the Evening Star cannot be included in this category. She was built for the merchant service, and had been employed in it several years. Leaving out of the question whether she was well constructed or not for ordinary service, she was certainly too large, if to be used in running to New Orleans, unless she had the strength of solid iron. She was particularly liable to ground on the bar at the mouth of the Mississippi on account of her great capacity. This bar, every navigator is aware, effectually excludes vessels of heavy burden from the navigation of that river. Time and again the Evening Star has been caught in this mud when heavily laden, and dragged over it by steam tugs only with great difficulty. The result of this naturally was to strain and weaken her at important points where her timbers joined together. It is said to have been perceived months since that she would not be likely to outride a violent storm. Many did not consider her entirely safe in an ordinary voyage. A few weeks since she ran into difficulty at Pickle Reef, off the coast of Florida, and $30,000 were paid for salvage on that occasion. In a gale in January last she barely escaped foundering, and her passengers at the time severely blamed the company for the peril to which they had been exposed. In a word, it was not the storm that destroyed her; she broke to pieces simply because she had become unfit for the service by being wrenched and weakened in the manner stated. Whether a vessel of that size could be made strong enough not to suffer harm under the circumstances mentioned, is a question we do not here propose to raise. The only fact of importance for us to know is that she was not, and that any ordinary vessel could not be.

We conclude, therefore, that steamers for the coasting trade should be constructed expressly for this branch of service, of small size, and the most strongly built of any that are employed in commerce; and passengers and shippers should especially avoid a vessel in this trade with an *alias* attached to its name. In fact, legislation ought to require that every vessel to be employed in coast navigation should be made to conform to some approved style, and to undergo rigid inspection both when first placed on service, and at stated periods thereafter. The changing of the name should not be allowed. Whatever unpopularity may have been acquired from unseaworthiness or other unfitness should not be escaped, and so men be induced to place their lives in hazard, by reason of having been deceived as to the reputation of the vessel to which they entrusted themselves. Several vessels now employed in the merchant service would have been "hauled off" long ago but for having been disguised under a new name and a different exterior.

Perhaps the necessary legislation will not be easy to obtain. The attempt eight years ago was unsuccessful. The United States Mail Steamer Central America had foundered at sea on the 27th of December, 1857. The New York Board of Underwriters appointed a committe, consisting of Commodore Perry, Charles H. Marshall, John D. Jones, F. S. Lathrop and others, to investigate the cause of the disaster. The Central America was not "substantially new;" but had already, under another name, and with different owners, acquired a fame and reputation not calculated to make her popular among those that navigate the sea. The committee, after eliciting what they could in relation to the unfortunate occurrence, pushed their inquiries in the direction of amendments to the navigation laws, and the necessity and means of improvement in the construction, equipment and internal organization of ocean steamers. A bill was framed by them, and after receiving the approval of the Board of Underwriters, was introduced into Congress, where it met with favor. But adverse influences proved too strong, and the measure was finally put to sleep. If the present excitement on account of the catastrophe of the Evening Star shall cause action to be resumed in relation to this subject some good will have grown from it. Neglect in these matters will continue until the legislative authority compels the necessary attention. It is probable that if Congress had done its duty in 1858 in regard to this matter, without deference to interested capitalists, the fearful slaughter of the Evening Star, and many other similar cases, would never have taken place; nor would it have been the province of the journalist to record the series of disasters to coasting vessels which have occurred within the past few days. It is too late to save the hundreds of lives that have been thus recklessly imperilled and destroyed, but it is yet time to do something to prevent the recurrence of such catastrophes.

What is wanted is vessels compactly built, so as not to be liable to spring a leak in a storm, and sufficiently small and light to go over bars without requiring to be hauled over. In addition, it should be compulsory on all owners of vessels to equip their property with life boats, &c., especially to do away with that evil which is, we fear, but too common, namely: the want of proper organization in regard to the relative authority and duties of the officers and crew, each department apparently independent of the other, instead of being properly subordinate and responsible to the captain.

The Cunard steamers navigate the ocean apparently with the same safety as would prevail if they never left port. This is attributable to their perfect construction, their admirable management, the responsibility laid on each man in the crew, and the ambition which is encouraged in them. In all these respects these steamers are totally different from the vessels employed in the American coasting trade. One could cross the ocean on every trip of a Cunarder with less peril than he could undertake one short voyage in the waters of the United States. We trust that our merchants and other citizens having an interest in the safety of our coast navigation will give Congress no rest till its whole duty shall have been done in this matter.

THE BANK OF ENGLAND.

BY MERCATOR.

(Continued from page 200.)

We now come to 1710, when, by various stratagems and numerous negotiations with the minister, the Directors succeeded in having the capital increased to £6,577,340 17s. 10d., and in obtaining an extension of their privileges until the 1st of August, 1732. From their persevering efforts to achieve the latter object, we may reasonably conclude that they found banking for the nation not a bad trade; but during this year the Government observed that its monetary friends in the city, who had derived so much advantage from a lengthened connection with it, were beginning to imitate "little Moses" in the School for Scandal, and bleed reluctantly, and, moreover, that they had been guilty of some other naughty practices, it therefore resolved to apply both spur and rein, and a bill was introduced and passed to *compel the Bank to exchange bills on demand for ready money*, and to prohibit any person becoming Governor, Deputy-Governor or Director of the Bank of England and of the East India Company at the same time.

In taking a review of the progress of the Bank, we are struck with the continuous exertions upon the part of the Directors and successive administrations, the one side ever desirous to prolong its monopoly, and the other equally anxious to sell its favors at the highest possible price. Thus in 1713 we observe there was another bargain, and the charter was renewed until the 1st August, 1742, by the Statute 12 Anne, cap. 2, which provided that if it should be determined at the expiration of that period to withdraw the privileges, twelve months' notice of the intention to do so would be necessary, and the debt due to the Corporation should be paid in full. This favor was acknowledged by the Bank agreeing to advance a further sum of £1,300,000 at the rate of three per cent. per annum, and an additional sum of £8,000 per annum until all the current Exchequer bills were paid off. To enable the Directors to act in this generous manner, they were allowed to call upon the proprietors for additional capital.

While all was going on thus prosperously and harmoniously, another storm arose in 1714 in consequence of the declining health and ultimate death of Queen Anne, and the stock of the Bank fell from 126 to 116, and a sharp run for gold was again experienced; but it was of brief duration, as the old Queen was soon forgotten, and when George I. ascended the throne and the rebellion of 1715 was quellen, the privileges of the Bank were again extended, for which it agreed to cancel £2,000,000 Exchequer bills at five per cent., and to accept an annuity of £89,751 7s. 10d. in lieu of £186,501 13s. 5d. for Exchequer bills previously cancelled.

The year 1720 was a most unfortunate one for the Bank, as the South Sea Company, encouraged by the Government, entered into competition with it, and outbid it in an offer to take all the redeemable and irredeemable assets of the Exchequer and the Bank. The proposal of the South Sea Company was accepted by Parliament, and its stock rose to 850 per cent. But the bubble, though supported by leading statesmen and other influential persons, was fated shortly to explode. In September, 1720, its

stock had fallen to 175, and its bonds were at a discount of 25 per cent., and it soon blew up with a crash worthy of a gigantic swindle. When the schemes of petty rogues are denounced, let us not forget, the South Sea bubble, which owed its existence to the patronage and support of ministers of the crown, members of both Houses of Parliament, and persons moving in the highest ranks of society. The result of this explosion was a run for cash upon the Bank of England and the private banks, many of which stopped, thereby reducing thousands from splendor to abject want. Numbers of these unfortunate persons, it is related, died heart broken, and others left the country never to return.

In 1742 there was another renewal of the charter until 1764, by the Act 15, George II, Cap. 13, for which, as usual, a *quid pro quo*, or bribe was given by the Governor and company agreeing to lend the Government a further sum of £3,200,000, at three per cent., which was secured by the Excise. The debt, which, when James II. abdicated, only amounted to £664,263, now had increased to £10,700,000, which in future years was to be enormously augmented by the aid of paper money. In 1745, Charles Edward Stuart, known as the pretender, made another abortive attempt to obtain the throne of his ancestors, and penetrated into England as far as Derby, at the head of a body of enthusiastic Highland followers. The event caused the funds to descend to 49, and the customary run on the Bank took place, when, to avoid bankruptcy, it has been stated it was necessary to have recourse to a curious stratageme.

Parties were employed to present notes at one door, which were paid in small coin to gain time, and to re-enter by another with the cash they had received. Francis in his "History of the Bank," jocularly observes that by this device, "*the bona fide holders of notes could never get near enough to present them.*" The employment of such an artifice, though creditable to the ingenuity of the Directors, proves that the Bank in 1745 could not have been in a very solvent condition.

Having thus far traced the career of the Bank, we must pass over an interval of several years, in which the old system was not departed from of receiving money for national purposes, by prepetuating a monoply, and come to that period when Mr. Pitt "the heaven born minister," as he has been called, swayed the destinies of his country, and produced, by a very simple process, an extraordinary revolution in its financial affairs. Archemides asserted he could have moved the world if he had only possessed a fulcroum; but William Pitt really performed wonders through the instrumentality of an immense issue of inconvertible paper. He never looked upon the Bank of England as an institution formed to promote commercial enterprise; but as an engine to assist him in his aggressive policy. A war with France, he knew, was the only chance of maintaining his influence with an obstinate and preverse sovereign and a reactionary party in the country; and he was well aware that money could alone enable him to gratify the passion which his patron and supporters cherished.

It was in 1796 that, finding himself inconveniently pressed for supplies, he made the modest proposal to the Bank that it should hand over to the Government £547,000 of *unclaimed dividends.* This demand excited the astonishment of the Directors, and it is creditable to them that they remonstrated against so disgraceful a breach of faith, and even submitted to a sacrifice to prevent it. Pitt, however, was soon to be immort-

alized by taking a higher flight; and perhaps there never was a bolder measure proposed by an unscruplous Minister in the most despotic country than that by which the Bank was enabled to defy its creditors, and break its solemn promise to them, by refusing them gold for its notes.

Political causes had, in 1792, produced much discontent; and this occurring in a season of general commercial distress, a panic of no ordinary violence was the result. The Bank of England had become more jealous than ever of its rivals, and the private bankers, who had greatly increased in numbers and influence, regarded it on the other hand with feelings of intense hostility. An obstinate and severe struggle proceeded for a length of time upon both sides, during which the commercial interests of the country seriously suffered, but the crisis ultimately arrived, when, upon the 19th of February, 1793, the Bank returned the paper of Lane, Son & Co., private bankers, who stopped payment next morning for *nearly a million sterling*. Universal distrust now spread abroad with the rapidity of lightening; every man doubted his neighbor, mercantile relations which had subsisted for years to the mutual advantage of both parties, were suddenly snapped asunder, and credit was almost irretrievably destroyed. If an invading army had traversed the country it would not have inflicted more injury upon the country than a monetary corporation established under the pretence of promoting its interests, had, by a single false and foolish step, produced. It is melancholy to, even now, pause to relate that by this application of the "screw," upwards of one hundred country banks were compelled to suspend, *with ample and valid securities at their command which could not be realized.*

The Government became affrighted, and, perceiving the extent of the peril, acted for once with promptitude and segacity. The merchants and bankers, who had begun to feel the shoe pinck, assembled at the Mansion House and drew up a petition, complaining of the *contracted state of the circulating medium.* Mr. Pitt directly proposed an issue of Exchequer bills on good security for £5,000,000, which had the effect of restoring public confidence and diminishing the pressure. It is worthy to be noted that of this sum not more than £2,000,000 was required to be advanced; and, unlike the Loans given to successive British Sovereigns and Governments, every shilling of it *was repaid.*

The period we are now approaching was, perhaps, one of the most important and eventful in the history of England. From 1793, when France declared war against Great Britain and Holland, which caused a great drain of gold, Mr. Pitt's difficulties as Financial Minister were gradually increasing, and it was not without great and constant pressure he was able to obtain the accommodation he required from the bank. In 1795, the Directors, who had never before been obliged to issue notes for less than £15 or £10, were compelled, in consequence of the inadequacy of the circulation to supply the demand of the public, to issue £5 notes. This, for a time, afforded relief, but the malady was of too formidable a character to be more than temporarily subdued by so mild a remedy. Ultimately, every expedient failed to establish an equilibrium between the metallic resources of the bank and the vast amount of paper money which it had forced into circulation. What was to be done in circumstances so grave and alarming? Make a call on the proprietors for a fresh capital? Such a demand at the time would have been like calling spirits from the

vasty deep, and would have been disregarded. One course was alone left open, namely, to apply that "term" to a powerful minister which had recently been employed with such tremendous effect upon the public through the sides of a legion of unfortunate private bankers. The court of chartered money-changers assembled, therefore, in Threadneedle street, on the 28th of January, 1796, when the following report and resolution were passed:

"The Governor having informed the Court that notice was this morning brought from the Treasury that certain bills drawn on the Commissioners of the Treasury, amounting to the sum of £201,000, would fall due on Wednesday, the 30th of February, and were directed for payment at the bank, and that the sum now advanced on Treasury bills is £1,157,000,"

"Resolved, unanimously, That the Governor give direction to the cashiers not to advance any money for the payment of the bills, nor to discharge any part of the same unless money shall be sent down for the purpose, in which case such money shall be exclusively appropriated to these bills."

Here, then, we behold that institution styled the Bank of England, virtually declaring the *British Government bankrupt.* The Directors of the Bank, however, were masters of the situation; they knew that in the end they must triumph, and with confidence they dispatched the Governor and Deputy-Governor to Mr. Pitt to present him with a copy of the above resolution. He took the document, and when he glanced at its contents, his countenance betrayed his agitated feelings, and he tremulously replied that "*he would look into the situation of his affairs.*" What a reply for a "Heaven-born minister" at such a crisis!

Affairs could not have long remained in this state, as the refusal of the Bank to accommodate the Government in its pecuniary embarrassment was the topic of conversation in every circle, and excited the utmost alarm. Simple folk could not well comprehend how Mr. Pitt and his colleagues were to get on in Downing-street without money, and we fancy the Minister himself was equally puzzled upon the subject. In every crisis the merchants and bankers within the sound of Bow Bells, and adjacent to Change Alley, were to be found assembled in some quarter in the city, remonstrating about these grievences, and complaining in unmeasured terms of the numerous sins of omission and commission with which the Bank stood charged. Who could have thought that the Bank which had been patronised by successive governments—which professed to be a national institution—which enjoyed a monopoly upon the assumption that it had rendered long and valuable services to the commercial interests of the country—should have been deserving of the censure which the cream of the mercantile classes of London cast upon it in the following resolutions, passed at a meeting held in the London Tavern:

"That it is the opinion of this meeting that there has existed for a considerable time past, and does exist at present, *an alarming scarcity of money in the city of London.*"

"2. That the scarcity proceeds chiefly, if not entirely, from an increase in the commerce of the country, and from the great decrease of commercial discounts, which the Bank of England has thought proper to introduce in the conduct of the establishment during the last three months."

Pitt now hit upon a bold plan to extricate himself, the Bank, and—we suppose we must add—*the conntry*, from difficulty and danger. It was

simply this:—The Bank had promised to pay gold in exchange for its notes when demanded; but to have pressed it to do this would have reduced it to insolvency. This would have placed the Government and him in an unpleasant position, as it owed an enormous debt to the Bank, and it would have been extremely awkward for it upon future occasions, when its necessities might compel it to seek further accommodation in the shape of loans. To prevent, therefore, a stoppage of the Bank and the cutting off of supplies, which were absolutely requisite to enable the wheels of Government to keep in motion, Pitt requested the king to come from Windsor, *upon a Sunday morning*, to be present at a privy council at Whitehall; and immediately afterwards another meeting was held in Downing Street, which was attended by the Ministers, the Governor, Deputy Governor, and the Directors of the Bank, when the following order was issued:—

"Upon the representation of the Chancellor of the Exchequer, stating from the result of the information he has received, and of the enquiries which it has been his duty to make respecting the effect *of the unusual demands for specie* that have been made *upon the metropolis* in consequence of the ill-founded or exaggerated alarm in different parts of the country, it appears, unless some measure is immediately taken, there may be reason to apprehend a want of a sufficient supply of cash to supply the exigences of the public service that the Directors of the Bank of England should *forbear issuing any cash in payment*, until the sense of Parliament can be obtained on that subject, and the proper measures adopted thereon for obtaining the means of circulation, and supporting the public and commercial credit of the kingdom at this important conjuncture. And it is ordered that a copy of this minute be transmitted to the Directors of the Bank of England, and they are hereby required, in the exigency of the case to enforce thereto, until the sense of Parliament be taken as aforesaid."

[Signed,] WILLIAM FAUKENER.

Mr. Pitt had now obtained his object, and by stepping between the Bank and its creditors, had established a precedent for any British Minister, who might find himself embarrassed committing an act of gross dishonesty and injustice.

When Parliament assembled, he was indemnified for his conduct, and through his influence, the celebrated British restriction act was passed on the 3d May, 1797. It continued in operation until the 2d July, 1819, when the memorable statute was passed to provide for the *gradual resumption* of cash payment, and to permit the exportation of gold and silver.

(To be continued.)

BREECH-LOADING ARMS—THEIR INVENTION AND HISTORY.

The recent war in Germany having resulted in the success of Prussia (an event that was deemed very doubtful at the incipiency of the contest), the Powers of the world have unanimously decided that to the breech-loading rifle alone belongs the honor of having humbled the power of Austria. This rifle, the *zundnadelgewehr* or needle-gun, as it is called, was the weapon used by the Prussian armies, and, although it is in reality a very inferior arm, its superiority over the muzzle-loading musket and rifle was made apparent in the battle of Königgrätz and on all of the battle-fields in Bohemia. The brilliant successes achieved through its instru-

mentality have occasioned much apprehension and activity in Europe, and all the prominent European governments are preparing to furnish their armies with either this gun or with some description of breech-loading rifle deemed superior in finish and effectiveness.

THE INVENTION OR BREECH-LOADERS.

Precisely 326 years have elapsed since a breech-loading firearm was invented. In the year 1540 Henry II. of France conceived the idea of loading musketoons at the breech, and (so far as can be learned) his invention was tested on several occasions. In a curiously-written description of the manner in which the gun was loaded, we ascertain that the barrel opened on hinges and exposed the breech, into which the load was deposited. But this is evidently an obscure description. No doubt the gun was made to work in the following manner: The band hung upon a hinge, say three inches from the hammer, and in those three inches the load was deposited, and the barrel then closed down over it, being fastened at the side opposite the hinge by an iron pin. Of course, such a weapon was not as effective as the muzzle-loaders. The escape of gas through the aperture would have been sufficient to destroy its effect, did no other obvious objections interpose. A gun of the above description, with some 50 or 60 of other patterns, are now in the Museum of Paris, thus proving beyond a doubt that the invention of the French monarch was not entirely lost to the world, but was the subject of many attempts at improvement. Indeed, we are made certain that breech-loaders long attracted the attention of military men, from the number of guns bearing the names of prominent officers. Among the breech-loaders which were made, and of which nearly all failed to be serviceable, were the fusils of Marshal Saxe, Tourette of St. Etienne Pauli, Robert, Le Roy, Lefaucheux, Charroi, J. L. Montigny, Pierre Montigny, the Norwegian and Swedish fusils, the Prussian needle-rifle, Clerville, Treuille, Thomas, Riera, Prince's; Musketon Lepage, Gilby's, Gillet of Liege, Potet and Chassepot, with others whose names are lost to history.

FOREIGN BREECH-LOADERS.

Of the above-named arms, but few have ever been regarded as worthy of practical attention. Pauli's was invented in 1809, and tested in the presence of the great Napoleon. It proved a decided failure on account of its mechanical complications. In the hands of an expert the weapon would have been of some value, but to an army of soldiers it was utterly useless. The present famous needle-gun is but an improvement upon Pauli's—a decided one, it is true, but still greatly inferior to nearly every one of the breech-loading rifles made in this country. There is no simplicity whatever about it. It is complicated, and should there be the slightest injury to the sere the weapon would be utterly useless. In appearance the needle-gun differs in external appearance from every other firearm. The engravings that have reached this country represent it to be a rifle, without a hammer, and with a small iron knob directly in the rear of the breech and in front of the barrel. This knob is a portion of the breech, which can either be turned in the cylindrical breech receiver or be made to slide longitudinally. The breech being opened, the cartridge is inserted, when it (the breech) is again closed, and ready for firing

Here, now, we have a complication. According to the *American Artisan*, into the front part of the breech is screwed the needle tube, through which the needle slides freely. The needle is attached to the needle bolt, which slides within the lock, and this latter slides within the breech. There is an air chamber in rear of and in communication with the cartridge chamber of the barrel, around the front part of the needle bolt. The main spring, by which the needle is shot forward, is of spiral form, and coiled around the needle bolt in rear of the collar. This collar forms a catch for the sere, and thus keeps the bolt drawn back when the hammer is cocked. In the same piece, with the sere, is the sere spring, at the end of which is the trigger. To load and fire this gun the following motions are required: First, pulling back the knob to withdraw the needle from the breech; second, opening the breech; third, inserting the cartridge; fourth, closing the breech; fifth, turning the knob, so as to bring it in front of the shoulder; sixth, firing the piece. It must be remembered that these are only the motions connected with the machinery of the gun; if we include the "lowering" of the piece, handling of the cartridge, raising of the piece, aiming, &c., we have not less than thirteen to fifteen motions. But it is of the piece itself that we write, and its defects may be stated as follows: First, the presence of the handle on the side of the barrel, which must, to some extent, destroy the accuracy of the aim; second, the necessity of pulling back the knob before loading, and the danger of a premature discharge in consequence thereof. (It is stated that the needle bolt can be drawn back by a handle attached to the lockspring independently; but this only further complicates the gun, and renders it more objectionable.) Third, the extreme nicety of its mechanical construction, by which the slightest irregularity will render it useless; fourth, its inability to fire with sufficient rapidity; fifth, the tendency of the needle to break. All that is known about it is, that the passage of the needle through the powder creates a friction which sets fire to the fulminate as soon as the needle reaches it. In making this last objection it must be remembered that we are treating solely of breech-loading guns, and judging each by its actual merits or defects. That the needle-gun has merits is undeniable; but as a breech-loader it is perhaps the most inferior of its kind now before the world. Its merits are simply these: First, the construction of the cartridge, and second the *zundspiegel*, or igniting material. In the first the use of copper is rendered unnecessary—the cartridge being encased in paper. The powder is first placed; then follows a compressed paper sabot, which cleans the bore of the gun, and in which is fitted the bullet. The fulminate is placed in front of the gundowder, and between it and the sabot. When the gun is fired the needle first pierces the gunpowder, but does not fire it until it enters the fulminate, when the explosion instantly takes place. And this brings us to the zundspiegel, which, translated, means igniting glass. This is a secret known only to the inventor, and whether the power of ignition lies in the needle alone, or by contact with the fulminate, cannot be told. By this we mean that it is not stated whether the fulminate could be ignited by other means than by the needle. From all that can be ascertained, it is evident that no other ammunition than that expressly made for the gun can be used, so that the only conclusion to arrive at is that the fulminate possesses some secret power by means of which ignition takes place the instant the needle is brought into con-

tact with it. The mere passage of a needle through the fulminate of one of our metallic cartridges would fail to explode it, a sharp blow from a solid front being required. As this article progresses we will compare the needle gun with many of our own make.

PRINCE'S, LINDNER'S AND SNIDER'S.

The first-named of these breech-loading rifles was experimented with at Brussels in 1856, and favorably reported on. Its recoil was found to be less than that of any other gun in Belgium, with a charge of 70 grains of powder and 470 grains of lead; the length of the ball being 1.18 inch, length of cone double that of the cylinder, and the diameter 0.59 inch. At a distance of from 1,640 to 1,986 yards it was claimed by the inventor that the bullets would carry with sufficient force to inflict a dangerous, and often mortal wound. The gun was, however, never adopted, because of its being too complicated for the use of any others than experts in the use of firearms. The Lindner gun is merely the conversion of a muzzle-loader into a breech-loader, and it contains so many objectionable features that it can never be adopted as a military arm. The conversion is as follows: The breech piece of the muzzle-loader is cut away, and the barrel lengthened over the small of the stock. In this lengthening piece is a bolt, which, when moved backward opens the breech, and when moved forward closes it. At the near end of the bolt is a handle, which moves it longitudinally, or turns it, as the case may be. The bolt is threaded internally and a portion externally, so as to enable it to work freely backward and forward. On the front end of the bolt is a loose conical piece, from which projects a pin, forming a claw for extracting the sabot of the cartridge. On the front end of the bolt is a screw pin, which enters a slot provided for the purpose, and thus prevents it from coming out of the lengthening piece of the barrel. To open the breech the bolt is turned to one side for the purpose of freeing the threads, and then drawn back the required distance. By reversing the movement the conical piece is tightly screwed up and the breech thoroughly closed. The lock is of the old pattern, and the cartridges are encased in paper, a cap being placed upon the nipple of the gun to discharge it. Altogether, the Lindner "converted" rifle is even inferior to the needle gun, by reason of the length of time required to load and fire a charge. The Snider rifle is also merely a conversion from a muzzle-loader, although it is a much more effective weapon than either of the guns already described. The upper part of the barrel is cut away at the breech for a length of about two inches, for the purpose of forming a breech receiver. Into this a solid breech block is fitted, the same swinging on a hinge to the right side of the barrel. As this block is thrown open the shell of the cartridge is partially ejected by the backward movement of an attached spur. The cartridges are metallic, and the firing is effected by the hammer striking upon a sliding pin, which transmits the blow to the fulminate. Notwithstanding the fact that the British Government is converting large numbers of its Enfield rifles into this arm, and the claim that the rifle has been fired 13 times in a minute, it can never become a prominent weapon. The breech block is nothing more than a "trap door" (as it is generally termed), through which the gas can escape in such quantities as to quickly foul the gun. All weapons of this description are necessarily unreliable, from the fact that they present no solid

front to the fulminate. In addition, to load them requires almost as much trouble as the muzzle-loaders. Taking the Snider as an example, we have: First, opening the breech, which requires two motions; second, turning the gun to permit the exploded shell to fall out; third, introducing the cartridge; fourth, shutting down the trap, which requires two motions; fifth, cocking the piece; sixth, firing. We thus have eight positive motions with the machinery alone.

THE FUSIL JARRE AND THE CHASSEPOT RIFLE.

Of these recent French inventions we know but little, the inventors, either from patriotic motives or in obedience to the orders of the imperial government, keeping a profound silence in regard to their constructions. The Fusil Jarre is claimed to be the most destructive firearm in the world, it being capable of firing fifty shots per minute. This, however, is very doubtful; but, if even true, no mortal man could sustain the fatigue which would necessarily result from so rapid an operation. The Chassepot rifle is less pretentious, and therefore most likely to be the best weapon. It can be fired twelve times per minute without material fatigue. On what principle it is constructed none others than the French government and those engaged in the construction of the rifle can tell. It is more than likely, however, that it is an improvement on the Prussian needle gun. The Chassepot has been adopted by the French government, and the monster foundries of St. Etienne are engaged in manufacturing the rifle for the use of the French army.

AMERICAN BREECH-LOADERS.

Turning from foreign to American breech loading firearms, we discover that they are of two descriptions. One is a single loader and the other a repeater, so called because of its having a magazine either in the stock or under the barrel, by means of which a number of shots can be fired without stopping to load at each shot. The objects of our inventors have been to make a weapon which would unite simplicity with effectiveness; and the attention which has been paid to breech-loading firearms within the past six years has resulted in the inventions of several which, for effectiveness, have no equal in the world. And this assertion is not merely a boast. It is perfectly true that no European inventor has yet exhibited a weapon which for rapidity of firing, superiority of finish and simplicity of construction can equal the "Spencer," "Ballard," "Henry" or "Peabody" breech-loading rifles. While to Europe belongs the honor of having invented the arm, to the United States must be credited the having made such improvements as renders a formerly complicated contrivance into a dangerously effective weapon. Not that American breech-loaders are without defects—for there is still a wide room for improvement—but that we will, in the following descriptions of a few, prove that our own weapons are in every respect superior to the needle-gun, or any other European breech-loader, except, perhaps, the "Chassepot," of which no minute description has ever been made public:—

THE BURNSIDE AND SPENCER RIFLES.

In the year 1857 several breech-loading rifles were by order of the Uni-

ted States government experimented with at West Point. Of some fifteen or twenty different kinds the "Burnside" rifle carbine was declared the best, and was recommended for adoption. The principle on which this weapon is made is this:—It has a movable chamber which opens by turning on hinges. The aperture through which the gas would escape if left open is covered by an embossed portion of a thin brass cartridge case, and thus cuts off the escape of the gas. The gun has the same objection as Lindner's—viz.: the trap door—and it soon gave way before the Spencer and other breech-loading rifles of superior constructien. With regard to the Spencer, much can be said in its favor, but it is still open to serious objections. The construction of the gun is simpler than that of the needle-gun, but is still very complicated. The breech is formed of two pieces, one of which is the breech pin and the other the block on which the cartridges are carried. The breech pin is attached to the lever, which forms the trigger guard, and the carrier block is pivoted into the breech receiver by a pin which is situated below and in rear of the hinge of the lever. Between the block and the breech pin is a pin which presses the latter upward, and behind the breech pin is a curved piece of steel, which guides the cartridges to the breech. This guide is worked by a spring situated near the hammer, and in front of it is the shell ejector, which also works by its action. On the left side of the breech pin is a slide upon which the hammer strikes to fire the priming. The magazine is situated along the entire length of the interior of the butt stock, and is composed of a stationary outer tube and an inner tube which slides in and out. The inner tube is simply a steel box, with a spiral spring for pressing the cartridges forward to the barrel as soon as the breech is opened. To operate the gun the following motions are required:—Supposing that the magazine is already filled with the cartridges (of which there are seven) and secured in the butt stock by turning the handle to a longitudinal position with the hammer. First, the lever is pulled down, which first throws the breech pin below the chamber of the barrel, and then makes the carrier pin and block slide back, ejecting the exploded shell and enabling the fresh cartridge to pass over the breech pin; the cartridge being, of course, pushed forward by the spiral spring, which becomes relieved from confinement the moment the lever is pulled down, and the block and breech pin swung backward. The cartridge is then directly in front of the chamber of the breech, and as soon as the lever is moved back it is forced into the barrel by the breech pin, which presses it up from the rear. The chamber and magazine are thus effectually closed by the block and breech pin, and it only remains to cock the hammer and draw the trigger. While this gun has been successfully used in the United States army, it is undeniably unfit for adoption as the regular arm. Like the needle-gun it is entirely too complicated, the construction is too nice, and the dangers of injury too many. It contains too many delicate springs which are liable, and indeed exposed, to injury at every moment. If we take the spring which works the cartridge guide, for instance, it will be seen that there is a danger of its slipping from beneath the guide at any moment, and thus preventing the gun from working. Again, the shell extractor, or ejector, is a delicate piece of steel that can be snapped with the finger. This is exposed every time the lever is pulled down, and if not broken a few grains of dirt falling into the vacuum left by the backward movement of

the block and breech pin would render it inoperative. So far as the merit of the gun is concerned as a repeater we shall consider that hereafter.

THE BALLARD RIFLE.

This gun (and the Peabody, which will be next described) is one of the simplest and most effective of American breech loaders that we have seen. It is made of four pieces—the hammer, mainspring, trigger and double spring—the mainspring being encased in the lock, and thus protected from being broken. The principle on which the gun is made is simple, and but for one defect, which shall be mentioned, it would stand the equal of all competitors. The lever which protects the trigger being pulled down, the lock, including the hammer, falls below the breech, leaving the chamber of the barrel exposed. Under the chamber and about two inches from the breech is a small knob attached to a spring, which, being pushed towards the breech, ejects the exploded shell entirely from the piece and leaves the chamber free for the insertion of another cartridge. When the lever is pulled down the hammer is half cocked by the action, so that on the lever being drawn up and the breech effectually closed all that remains is to complete cocking the hammer and to fire the gun. In addition to its adaptability for metallic cartridges the Ballard rifle can be fired with paper cartridges and percussion caps. Directly in front of the hammer, and on the breech block, a nipple is fixed, so that in the event of metallic cartridges giving out the old system can be followed, still loading by the breech. As will be seen by the above description, the weapon is free from all complicated machinery and can be fired with great rapidity. Experiments with this gun have been made on several occasions, with various results. As many as twenty shots per minute have been fired from the carbine, and the inventors claim that in the hands of an expert twenty-five shots can be fired. Last year fifty-one breech loading rifles were examined at Springfield by order of the United States government, and of this number five were selected as being the best adapted to army use. The "Ballard," "Peabody," "National" and "Berdan" rifles, with two others, were the ones selected. Notwithstanding the many merits of the Ballard rifle, it still has one defect. As the gun is made at present the ejector and the lever require two motions to work them. By attaching them together, and thus causing the shell of the cartridge to be ejected, the instant the lever is pulled down and the breech is opened, the last fault in the weapon would be removed. It is understood that this improvement will be made, and when it is, the rifle will be a most dangerous arm in the hands of a well drilled soldier. The Ballard rifle is well made and elegantly finished, possessing great strength, united with lightness. The carbine weighs about seven pounds, and the army gun, when made, will weigh about nine pounds. At a distance of 1,200 yards, with a load of forty-five grains of powder and 285 grains of lead, the rifle is very accurate, retaining its initial force throughout that distance.

THE PEABODY RIFLE.

This weapon is constructed upon the same principle as the Ballard gun, with the exception that the opening of the breech and the ejection of the exploded shell take place simultaneously. The breech block is a solid

piece of steel, hollowed out at the top to receive the cartridge. When the lever is pulled down this block falls below the chamber, and exposes the breech; the cartridge is then inserted, the lever pulled back and the breech closed. And here is the only objectionable feature in the Peabody rifle. Unless the cartridge is inserted into the chamber, flush up with the breech, there is great danger of a premature discharge from the sudden contact of the breech block with the fulminate. As it now stands the utmost care is needed in loading the piece. It seems to us that by giving the end of the breech block a slight incline the danger would be removed, for if even the cartridge was not shoved home, instead of a sudden shock there would be a gradual pressure which would force it into its proper position. While the Peabody rifle is undeniably an excellent weapon of warfare, there is a lack of finish about it which requires correction. Like the Ballard rifle it can be fired twenty times per minute.

BERDAN'S BREECH-LOADER.

For converting muzzle loaders, Colonel Berdan's invention is perhaps the best before the public. The manner in which the conversion is effected is as follows: About three inches of the upper part of the barrel in front of the breech pin is cut away, leaving the breech pin intact, so that it may form the recoil bearing for the breech. The breech is composed of two pieces of steel, one being in front of the other. The front piece constitutes the breech piece proper, and the rear one a brace which sustains the breech piece against the recoil, in firing. The breech piece is hinged to a band which is clamped around the barrel, and a brace is hinged to it. The rear end of the brace and the recoil bearing are so formed that the breech cannot rise until the brace rises by a movement in the hinge. In opening the breech for loading, a knob on the right hand side of the brace is pressed upwards with the finger, thus relieving the brace from the recoil bearing, against which it was pressed by the force of the recoil. The brace is lifted up from the recoil bearing until a stop upon it comes in contact with a stop on the breech piece, above the hinge. The breech piece and brace are then moved together from their position, and thrown forward in the direction of the muzzle, thus exposing the chamber of the band. The firing pin is made of two pieces which meet at the hinge joint, so that the pin does not prevent or interfere with the opening of the breech, which it would assuredly do were it constructed of one piece. To eject the exploded shell, there is a small spur upon the hinged part of the breech piece. This catches hold of the end of the fulminate, and as soon as the breech piece is thrown forward, the shell is thrown completely out. For the purpose of preventing the escape of gas into the breech piece, from the charge, after it is fired, there is a projection upon the right hand side of the brace, behind the knob, so arranged that the hammer must pass over it as it descends. This is an excellent arrangement, for should the brace not be in its proper place, the head of the hammer slides over the projection, forcing the brace down, and effectually closing the breech. The description of Berdan's rifle as given here is taken from drawings published in the *American Artisan*, and prepared under the personal supervision of Colonel Berdan, the inventor. As we stated before, the gun possesses considerable merit, and if the breech piece could be so improved as to simplify it, and thus do away with a portion of its mechanical arrangement, the weapon would become more valuable.

THE REMINGTON RIFLE.

Much has been said about this weapon, and the inventor has been assiduous in his efforts to convince the public that his rifle is the most effective firearm extant. But an examination of the weapon proves the fallacy of this claim. That it is simple in construction is quite true, and before going any further we will describe the gun. Unlike most of the other breech loaders, the breech block works backward and forward with the hammer, thus necessitating a full cocking of the gun before the piece can be loaded. The breech block is a solid piece of steel pierced by a firing line and acting in conjuncting with a tumbler attached to the hammer. At the lower part of the chamber of the barrel, is a spur for ejecting the exploded shell, which is connected with the breech block by a spring. The mode of operation is as follows: The hammer is first cocked to its fullest extent, then the breech block is pulled backward to the hammer which catches it by a nip, and thus keeps the breech open. On the cartridge being inserted, the block is pushed forward, and the breech closed. Nothing then remains but to fire the piece. The defects in the gun are these: In the first place, unless the breech block is kept thoroughly well oiled, the greatest difficulty is experienced in pulling it backwards with the fingers. Now as in active service soldiers have no time to take out the block and "grease" it every day, it will be seen that a great delay in loading must ensue. In the next place the spur or shell ejector is entirely too small, and will not eject the shell unless it (the shell) is also thoroughly well greased. In the presence of the writer one of these guns was operated with, and the result was that even with the shell well greased the spur failed to eject it oftener than once in five times. A great deal of trouble was experienced in forcing back the breech block, in consequence of the inability of the spur to eject the shell. When the block was at last forced back it was found that the spur had merely cut through the metal without ejecting the shell. We are thus minute in mentioning the defects of the Remington gun because of the claim for superiority made by the inventor. How the defects can be remedied it would be difficult to explain. The breech block is really the stumbling block. Without a shell in the chamber, it is pulled back with comparative ease; but with the exploded shell resisting the forward action of the spur it requires a finger of uncommon strength to operate it. So far as the "greasing" of the cartridges is concerned the statement that such greasing is a necessity only renders the gun more objectionable. In nearly all of the other breech loaders now prominently before the public it is immaterial whether the metallic cases of the cartridges are well greased or not, the spurs possessing sufficient width and bottom to eject the exploded shells entirely from the chamber of the barrel. It is stated that the Austrian government has adopted this weapon; but the statement has no foundation in fact. Austria has not yet adopted any particular breech loading firearm for her army.

COCHRAN'S BREECH-LOADER.

This weapon does not rank among the first of American inventions, but it contains merits which are peculiarly its own. The housing is light, but strong, and into this the barrel is screwed. The breech block, having a

rolling bearing at its rear end, is fitted to the housing, with a pin inserted into the bearing for the purpose of keeping the breach block in its proper place. The front of the breech block against which the cartridge rests, when the breech is closed is a spherical convex, and is so positioned with the barrel, that the pressure of the shell aids in keeping it firmly locked. The operating lever of the breech block forms the trigger guard, and is somewhat similar in appearance to the Ballard rifle. There is one feature in it, however, which no other breach-loader's lever possesses. The end of the lever, instead of resting near or on the stock, is turned up and enters the stock, so that when the breech is open there is no possible chance of its lever catching against anything. The piece in the stock is elastic and has a kind of hook at the top, which catches hold of a notch (in the stock) and serves either to keep the breech effectually locked or to prevent the lever from coming out of the stock entirely when the breech is opened. The lever being pulled down the breech block is forced upward by the action of the hinged end of the lever against the rear end of the lever against the rear portion of the block. The breech is thus exposed and the cartridge is inserted into the barrel, under the breech block, or, if not under, the gun must be turned over. This is a very awkward manner of loading, and notwithstanding its originality, is the most objectionable feature of the gun. It is true, that to facilitate loading, the under part of the breech block is made hollow, but this only weakens the block, while it does not, to any great extent, facilitate loading. It is urged by the inventor that one of the advantages arising from this method of loading is, that should there be a premature discharge, the powder will escape downward, and not upward, so as to injure the face. This is very doubtful, inasmuch as that all explosions have an upward tendency, and the result of a premature discharge of the cartridge would be the blowing out of the breech piece directly toward the face of the soldier. The shell ejector is, perhaps, the best feature in the gun, although it is not equal to the ejector of the Peabody rifle. It consists of a straight piece which slides on a guide formed between the lower portion of the barrel and the breech receiver. A rod of steel connects it with the operating lever, which is contained in the breech receiver, to the right of the block. On the lever, or trigger guard, being pulled down the rod is pushed backward, carying with it the ejector and consequently the exploded shell. On the lever being liberated, the spring at the end of the ejecting rod straightens itself, throwing the ejector forward and drawing the lever back to its proper place. By means of a notch under the breech receiver the ejector can be operated with the finger and independently of the lever; but as this would only increase the time required for firing it will seldom be used. Should the connection with the lever become destroyed it would then be of use, but not otherwise. As stated before, the Cochran rifle possesses merits, but as a military arm it can scarcely become a favorite. The difficulty, or rather discomfort, of loading from beneath the breech block is a most serious objection.

THE HENRY AND WINCHESTER RIFLES.

Almost every reader of this paper has heard of the Henry repeating rifle, and the fact that it contains a magazine under the barrel, into which sixteen cartridges are stored at one time. It is merely the Spencer rifle

reversed, and as a repeater has the same objections. The magazine is composed of a tube running under the barrel, from the breech to within five inches of the muzzle, and is partially open along its entire length, at the bottom. At the top of the magazine and up to the muzzle is a tube which moves on hinges to one side, exposing the chamber of the magazine, so as to admit the cartridges. This tube contains a follower, which is pressed forward by a spiral spring, thus forcing a cartridge into the breech as fast as the lever is pulled down. On entering the breech the cartridge is forced into the barrel by an upward movement of the main spring. The shell is ejected by a spring catch, which seizes it by the rim and ejects it, room being left in the barrel for it to rise over the rim. An improvement on this rifle has been recently made, and the new weapon is called the "Winchester." Instead of the magazine being partially open it is entirely closed up, and instead of loading from the top the cartridges are inserted into the magazine from the breech, thus enabling the gun to be used as a single loader or as a repeater. By this manner of loading the cartridge last inserted is the last one fired. The cartridges are inserted in the magazine through an opening in the side of the frame, back of the lower block. A spring lid, grooved on the top, and of a length to correspond with the size of the cartridge, opens inward by a slight pressure of the cartridge, which is then pushed forward, and as it drops in its place is held there by a shoulder, the lid then rises to its place and closes the aperture. If the Henry rifle was condemned for its complications, the "Winchestor" has certainly not improved the defects. However terrible both weapons would be in the hands of experts, they are totally unfit for military service. The charm of being able to fire sixteen rounds of ammunition without cessation would be quickly dispelled by the slightest injury to any one part of the delicate and complicated machinery contained in the Henry and Winchester rifles.

SHARP'S, BERG'S, ALLEN'S AND STARR'S.

Lack of space will compel us to abstain from elaborate descriptions of the above named firearms. They have in reality almost gone out of use, having been found unequal to their promises. Sharp's, it it true, still retains some prominence, but the "trap door" system, so universally condemned, will prevent its ever being adopted as a military arm. The Berg gun is too complicated for effective use, and requires too much time to operate it. To load it the barrel has to be thrown over the shoulder, after having been released from the stock. Priming or percussion caps and paper cartridges are used with this gun. The Allen gun is also on the "trap door" system. To operate it the hammer is first half cocked; the lever is pulled down and the breech exposed, the shell being ejected at the same time. The cartridge is then introduced, the breech closed, and the hammer being pulled back to a full cock, the gun is ready for firing. Starr's rifle is on the trap system, and is so made that much dificulty is experienced in inserting the cartridge.

OTHER BREECH-LOADERS.

Within the past four years a large number of breech-loading firearms have been invented in the United States, and it will not be exceeding the actual figures when we assert that between $150,000 and $200,000 have

been spent during that time for the manufacture of models. Of the large number which have been invented, not more than six or eight have risen to prominence. Among those which may be considered relics of the past are the Warner, Montstorm, Cosmopolitan, Gibbs, Gallagher, Josselyn, Allyn, Maynard, and Burnside. Some others, such as the Merrill (revolving), Bell's (repeater), Burke and General Roberts, have not yet been brought sufficiently before the public for their merits and defects to be pronounced upon.

POULTENEY BREECH-LOADING MUSKET.

Through the kindness of Colonel S. Crispin, the efficient Ordinance Officer of this State, the writer has been enabled to furnish a description of the above-named weapon. It is of recent invention, and although not yet known to the public at large, promises to become one of the most popular firearms in the United States. While the gun is made on the principle of rotation, it is almost devoid of mechanical work. The breech block consists of a solid piece of steel, connected with the lever, which forms the trigger guard, and swinging on an axis. Attached to the lever is the only spring about the gun, and it is merely the lock which keeps the breech block properly closed up against the chamber of the barrel. Attached to the block is a spur, which ejects the exploded shell entirely from the breech simultaneously with the pulling down of the lever. The block, as stated before, swings upon an axis, but instead of falling downward when the lever is pulled down, it moves backward, thus exposing the breech. This system of operation is very superior, for should the shell not be pushed into the breech sufficiently, as soon as the lever is pulled back the face of the block comes in contact with the cover of the cartridge and shoves it home, without the slightest danger of a premature discharge. Another source of safety in the Poulteney rifle is that by the opening of the breech the hammer is half-cocked, thus preventing an accident. When fired, the hammer strikes against a pin which runs through the block, and the blow is transmitted to the fulminate. The gun is light, but immensely strong, and is well finished. The following is the mode of operating it:—First motion, pulling down the lever, and by so doing expose the breech and eject the cartridge; second, inserting a fresh cartridge; third, pulling back the lever, and effectually closing the breech; fourth, cocking the hammer; fifth, firing. The only defect in this gun is that the spur or shell ejector is not quite wide enough to insure a positive certainty of ejection, should the metal of the shell be of inferior quality.

SMITH'S CARBINE.

This weapon has been largely used in the United States cavalry service, and there is a likelihood that it will be permanently adopted for that branch of the army. The carbine is composed of two parts, one being the barrel, and the other the stock, with the lock attached. These are secured by an axis of rotation, or hinge, with a locking spring of great strength on the top of the barrel, and a catch in the rear of the hammer to retain it in its proper position. Attached to the axis of rotation is the spur, which is under the chamber of the breech, so that as soon as the barrel is thrown forward the shell is ejected. The method of operation is

as folllows:—The barrel of the carbine is thrown upon the left arm, near to the axis of rotation, and the catch in the rear of the hammer being pressed down with the finger, the locking spring is released, and the barrel falls downward, and thus exposes the breech. A slight motion of the right hand on the stock brings the barrel and it (the stock) on a level, and the locking spring is instantly fastened to the catch. All that then remains is to cock and fire the piece. The Smith carbine is very simple in construction and possesses considerable strength. The great merit it undoubtedly has, is the ease with which it can be loaded and fired. Any ordinarily drilled soldier can, at a full gallop, load and fire it six or eight times per minute, and still guide his horse with the left hand. Although as a cavalry arm it is a very superior weapon, it is very doubtful if it would be effective for infantry. The method of loading, which would expedite the cavalryman, is very likely to delay the infantry soldier.

THE LAIDLEY CARBINE.

This breech-loader is the invention of an officer of the United States army, and is of recent date. It is made on the same principle as the Remington gun, the only difference being that the breech block and the hammer are pulled back together, whereas in the Remington they are pulled back separately. Another slight difference is in the locking of the hammer after it is cocked. This is done by a catch at the side of the stock, instead of by the breech block, as in the other mentioned arm. It does not appear, from the description given, that the Laidley carbine is any better arm than the Remington. There is the same objection, viz:—that the distance from the axis of rotation to the finger ears or top of the breech block are not long enough, and the difficulty of opening the breech when the exploded shell is resisting the action of the block remains the same.

THE NATIONAL RIFLE.

Breech loading rifles are made on several principles, such as the swinging block, sliding block, &c. We only name these two principles or systems on which they are constructed because they are the only ones which possess any *bona fide* merits. The national breech loading rifle is constructed on the sliding block system, and is made as follows: In the rear of the breech-block and below it is a recoil bearer, composed of iron, in the shape of a three-sided parallelogram. In front of this and above it is a solid breech block attached to the lever. On both sides of the lower portion of the front of the block is a spur which enters a small cavity on either side of the chamber of the barrel, and these spurs eject the shell completely from the breech when the lever is pulled down. The lever forms the trigger guard, and is secured in its place by a spring attached to its fore part, which enters the stock, and rests under the breech block. The lock is contained in a solid chamber and has no connection with the breech block, as in many others of recent invention. Through the upper portion of the breech block is a pin upon which the hammer strikes, and which transmits the blow to the fulminate of the metallic cartridge. The manner of operating the rifle is as follows: The lever being pulled down, the recoil bearer falls sufficiently low to permit the breech block to slide over it, and the shell is rapidly ejected. As the breech block slides back-

wards the hammer is forced to a half cock by the action, thus insuring absolute safety in loading. The breech being now open, the cartridge is dropped into the open space between the chamber of the barrel and the block; the lever is pulled back, and the face of the block pressing against the rim of the cartridge forces it into the barrel. The gun is then fully cocked and fired. The National rifle is very simple in its construction, and its principal merits are that it has no dependence upon springs, levers, fulcrums nor circular bearings for resisting the discharge. The resistance is obtained by perfectly square, solid blocks, which move at right angles. Again, there is not the slightest danger of a premature discharge, so well arranged is the breech block to the chamber. The weapon is light, but possesses immense strength. In the presence of the writer, several charges, consisting of 100 grains of powder and 1,848 grains of lead, were fired from the shoulder, with but little or no recoil. As a military arm (and it is only intended for such) the National rifle must eventually hold a high position. The only defect it has is in the danger of the lever spring dying. Should this occur on a battle field the soldier would be compelled to tie the lever to the stock, for the purpose of keeping the breech closed. But this objection is perhaps equally applicable to all breech loaders. The National rifle has been fired with ease sixteen times per minute.

RAPIDITY IN FIRING OF AMERICAN BREECH-LOADERS.

The following table will show the average number of shots per minute which have been fired from several breech-loading rifles of American invention and manufacture:

Name of rifle.	No. of shots.	Yards.	Name of rifle.	No. of shots.	Yards.
Henry (repeater).....	25	500	Smith, (single loader)....	14	500
Spencer do	15	500	Sharp's, do ...	12	500
Berdan, (single loader)...	18	500	Berg, do ...	8	500
Ballard, do ...	18	500	Allen, do ...	14	500
Peabody, do ...	17	500	Joslyn, do ...	8	500
Remington, do ...	15	500	Starr's do ...	6	500
Cochran, do ...	16	500	Maynard, do ...	7	500
National, do ...	16	500	Merrill, (revolving).....	6	500
Poultney, do ...	16	500			

REPEATERS VERSUS SINGLE LOADERS.

While the Spencer rifle proved its superiority over the muzzle loader during the recent war, it did not satisfy our leading ordnance officers that it was the most effective of military arms. Looking upon it merely as a mechanical contrivance we admit its power; but taking a practical view of its merits and defects, we are compelled to conclude that the single loading breech loader is not only a superior arm, but is, in every respect, better adapted to warfare. In the first place, the mechanical portion of a repeater is too complicated; the danger of injury is too great, and the waste of ammunition too excessive to admit of its being placed in the hands of a private soldier. Soldiers are proverbially careless, and during the war many Spencer rifles were picked up on the battle fields with cartridges in the magazine the reverse position to what they should have occupied. Of course it would have been utterly impossible to fire the gun as soon as a cartridge thus inserted had entered the breech piece; it would never have been able to enter the barrel, and the result must have been to

break or otherwise injure the internal machinery. The mistake here mentioned arose either from the carelessness of the soldier or from his hurry when filling the magazine. But, in addition to this, with the knowledge that his gun contains seven loads, each of which can be fired without reloading, until every cartridge is exhausted, the soldier indulges in a reckless waste of ammunition without doing any material damage to his enemy. The same rule that applies to the Spencer rifle is applicable, and with double force, to the Henry or Winchester gun. Repeating rifles of the last-named pattern are entirely too complicated for the use of an army. In the hands of experts they will, it is true, become terrible weapons of warfare; but nine out of every ten soldiers are not experts in the use of firearms, nor do years of active service render them such. In addition to requiring rapidity of fire, strength and durability are necessary. To an army the Henry and Winchester rifles would then be useless, and simply because they possess neither strength nor durability. They are delicate, complicated weapons; and besides, neither they nor the Spencer rifle can be fired as rapidly as any good single grade, such as the Berdan, Ballard, Peabody or Cochran. Experiments with the Spencer, Peabody, Ballard and Berdan have been made for one hundred shots with the following result:—

Spencer—100 shots in eight minutes and a half, being an average of a little less than 12 shots per minute.

Peabody—100 shots in seven minutes, or 14.02 per minute.

Ballard—100 shots in six minutes and a half, or about 15 per minute.

Berdan—100 shots in six minutes, or 16.04 per minute.

Better averages than the above have been made with these guns, which are among the first of American manufacture; but the experiment only proved that the length of time taken to fill the magazine of the Spencer rifle neutralized its merits as a repeater. The assertion of inventors that the immobility of prejudice on the part of ordnance officers, has been the cause of repeating rifles not being adopted by the government for the use of its army, is simply ridiculous. Patient investigations and experimental tests have proven the superiority of single loaders over the repeaters. And facts, which are always incontestible, have influenced a judgment in favor of the former. But admitted even that the repeating rifle can be fired oftener than the single loader, what benefit arises from such excessive rapidity? To fire twenty-five or thirty shots per minute would render the arm of the soldier utterly useless, before he had fired fifty rounds. If an average of eight shots per minute could be fired during a battle, the effect and slaughter would be frightful. This the single loader can be made to perform with the utmost ease; and as it unites simplicity of construction with immense strength (qualities which the repeater does not possess), the hypothesis must naturally be that it is the most effective arm and better adapted to warfare.

CONCLUSION.

Humanitarians welcome the progress of science in the invention of breech loaders, as rapid strides toward obviating the dread alternative of war. But a moment of reflection will prove that they are mistaken in their suppositions. The science that invents a breech loading rifle of fearful destructive power will also be directed to the invention of means

whereby such powers can be lessened. The idea of preservation of life has been a foremost one to scientific men; and if weapons are made that can destroy fifty thousand lives in ten minutes (provided the owners are unprotected, or rather garbed in penetrable material,) science will also invent bullet-proof clothing, and thus carry out the first dictate of nature. After all, and in view of this possible contingency, it is doubtful if the invention of breech loaders will be of as sterling value to the world at large as it is now popularly believed.

TRADE OF GREAT BRITAIN AND THE UNITED STATES.

COTTON, BREADSTUFFS, PROVISIONS, ETC.

The British Board of Trade returns now begin to indicate the effect of the panic rate of discount on the trade of the country, the official statement of imports and exports for the month of August and the eight months ending August 31, just received, showing a very large diminution in the import trade of the country, whilst, on the other hand, the exports exhibit a considerable increase. A high rate for money has a tendency to encourage exports, but to operate as a check to imports, and this is the great feature of the statement recently issued by the British Board of Trade. As regards exports, it appears that the declared value of the shipments of British and Irish produce to all quarters, in the month of August, was £17,450,156, against £14,957,834 in the previous month, and against £14,158,648 in the corresponding month last year. The total for the eight months is £125,265,820, against £102,400,696 last year, and £108,716,219 in 1864. The figures for each month from January to August, inclusive, in each of the last three years, are as under:

	1864.	1865.	1866.
January	£10,413,586	£10,489,339	£14,354,743
February	12,698,121	11,876,214	15,116,063
March	13,555,674	13,770,154	17,520,354
April	13,225,089	12,071,111	15,366,414
May	14,176,640	13,194,748	15,870,181
June	13,978,526	13,227,062	14,630,120
July	14,894,364	14,113,410	14,957,834
August	16,274,269	14,158,648	17,450,156
Total	£108,716,219	£102,400,696	£125,265,820

The return of imports embraces a period of seven months, viz.: from January 1 to July 31, inclusive. In July the computed real value of the principle articles imported £3,650,000 less than in the previous month, the figures for June and July, respectively, being £23,243,701 and £19,597,929. The particulars of imports for each month in the year are subjoined:

	1864.	1865.	1866.
January	£7,520,356	£6,398,923	£9,847,564
February	13,214,541	12,891,252	16,610,159
March	16,396,928	13,005,394	19,891,204
April	17,587,565	13,078,755	22,455,968
May	23,392,601	14,595,334	23,234,762
June	21,498,185	15,407,688	23,243,701
July	20,458,353	18,964,190	19,597,929
Total	£119,068,429	£94,305,062	£134,871,287

The trade of Great Britain and the United States, during the seven months ending July 31, was to the value of nearly ten millions sterling greater in the department of British and Irish produce and manufactures than in the corresponding period in 1865. In those periods, and in 1864, the declared value of the exports of British and Irish produce, &c., was as follows:

	1864.	1865.	1866.
To Atlantic ports, Northern	£12,669,286	£7,469,822	£16,253,977
" Southern	77,402	34,755	643,180
Pacific ports	661,487	342,274	426,142
Total	£13,408,775	£7,846,861	£17,323,939

COTTON.

The imports of cotton into the United Kingdom in August were about 200,000 cwts. less than in the preceding month, the falling off being almost wholly confined to the produce of this country. Egypt shows a decline; but as regards India, there is a slight increase. The total for the eight months, however, is nearly 4,300,000 cwts. in excess of the corresponding period in 1865, the imports from the United States showing an increase of 3,720,000 cwts., and India an augmentation of 1,500,000 cwts. nearly. In the receipts from Egypt, however, there is a diminution of nearly 270,000 cwts., but it seems probable that during the ensuing season, owing to the favorable accounts respecting the new crop in that country, the arrivals from Alexandria will be on a much more extensive scale than during the present year. The imports of cotton into Great Britain for the eight months ending Aug. 31 were as under:

	1864.	1865.	1866.
From United States.....cwts	106,670	109,863	3,834,000
Bahamas and Bermudas	218,848	158,604	6,413
Mexico	163,769	275,550	3,145
Brazil	234,147	294,820	495,883
Turkey	147,932	166,604	83,930
Egypt	845,212	1,005,454	735,460
British India	2,213,270	1,941,401	3,439,087
China	537,965	301,509	17,949
Other countries	200,187	307,235	193,734
Total	4,670,000	4,561,040	8,809,601

The exports of cotton from Great Britain, owing to the close of the German War, are steadily on the increase, the shipments in August being 403,214 cwts., against 333,440 cwts. in July. For the eight months there is a balance in favor of this year of about 700,000 cwts. The statement of exports for eight months is annexed:

	1864.	1865.	1866.
To Russia.....cwts	195,848	163,716	248,235
Prussia	9,628	22,782	42,069
Hanover	40,937	14,011	5,618
Hanse Towns	370,762	395,360	516,477
Holland	312,233	262,216	347,865
Other Countries	597,508	727,909	1,127,323
Total	1,526,916	1,585,994	2,287,607

The computed real value of the cotton imported in *seven* months, from January to July inclusive, was as follows:

	1864.	1865.	1866.
From United States	£1,345,647	£650,601	£22,004,469
Bahamas and Bermudas	2,506,879	1,354,786	42,484
Mexico	2,072'488	2,085,012	28,591
Brazil	2,873,296	2,139,306	3,618,768
Turkey	1,442,128	768,119	509,235
Egypt	10,192,905	7,291,833	6.168,061
British India	17,816,147	7,460,795	13,905,053
China	4,216,584	1,910,385	58,258
Other countries	1,928,197	1,574,102	1,233,805
Total	44,892,716	24,5 4,839	53,569,684

BREADSTUFFS.

As might have been anticipated, the return relating to the imports of Wheat and Flour into Great Britain presents many features of great interest, and so far as this country is concerned, the figures in one sense, viz. in the diminished exports from most continental countries, Russia alone excepted, are favorable. There is a slight increase in the importation of Wheat and Flour from this country, the total of those two articles in the month of August being 46,692 cwts, against 12,214 cwts. in the previous month. The total importation of Wheat and Flour in August was 660,000 cwts. less than in July. Prussia exhibits a considerable decline, the falling off in the import of Wheat being 340,000 cwts. The following is the statement of imports of Wheat, Flour and Indian Corn for eight months:

WHEAT.

	1864.	1865.	1866.
From Russia.....cwts	2,144,753	4,336,307	4,610,396
Prussia	3,089,589	3,092,508	2,898,506
Denmark	555,914	345,204	354,108
Schleswig, Holstein, & Lauenburg	208,078	171,367	141,078
Mecklenburg	421,707	361,769	545,365
Hanse Towns	438,663	301,831	620,378
France	465,409	662,052	3,305,024
Turkey, Wallachia, and Moldavia	326,282	457,962	320,738
Egypt	366,856		11,769
United States	6,137,894	664,023	345,750
British North America	621,738	222,067	8,789
Other Countries	280,653	750,383	2,358,398
Total	15,057,536	11,565,473	15,529,299

FLOUR.

	1864.	1865.	1866.
From Hanse Towns.....cwts	228,93\	154,401	181,232
France	1,445,550	1,550,369	3,078,740
United States	1,337,313	194,561	193,051
British North America	266,228	130,067	15,818
Other Countries	77,063	97,306	168,807
Total	3,355,080	2,12:,704	3,637,648

BRITISH AND IRISH PRODUCE AND MANUFACTURES.

The total of these for the eight months is £23,000,000 greater than in the corresponding period last year. With this country, a large business has been done, of which the following are the particulars:

	1864.	1865.	1866.
Alkali	£275,017	£261,443	£615,117
Beer and ale	33,313	26,461	45,544
Coals	87,245	70,714	62,095
Cotton Manufactures—			
Piece goods	1,481,160	977,600	2,446,194
Thread	159,302	75,239	241,353
Earthenware and porcelain	297,866	248,536	514,340
Haberdashery and millinery	702,168	476,789	929,090

HARDWARES AND CUTLERY—			
Knives, forks, &c.	92,141	78,096	190,772
Anvils, vices, saws, &c.	69,530	53,490	68,827
Manufactures of German silver	218,929	155,660	461,207
LINEN MANUFACTURES—			
Piece goods	1,905,040	1,619,106	2,785,396
Thread	151,597	87,364	167,170
METALS—			
Iron—Pig, &c	203,064	70,851	193,968
Bar, &c.	654,496	104,767	366,992
Railroad	767,134	231,369	507,809
Castings	13,082	3,093	12,242
Hoops, sheets and boiler plates	203,639	43,496	214,265
Wrought	209,326	90,196	151,004
Steel—Unwrought	391,093	184,109	435,451
Copper, wrought	12,962	21,203	31,793
Lead, pig	181,864	50,398	96,931
Tin plates	570,087	545,384	1,018,484
Oilseed	46,692	2,144	200,733
Salt	26,807	22,116	73,765
SILK MANUFACTURES—			
Broad piece goods	67,936	38,760	96,626
Handkerchiefs, scarfs, &c.	17,022	1,295	7,068
Ribbons	27,538	17,571	29,382
Other articles of silk only	73,393	75,443	84,214
Other articles mixed with other materials	34,227	20,576	58,782
Spirits, British	10,140	2,754	10,360
Wool	37,942	10,182	9,300
WOOLEN AND WORSTED MANUFACTURES—			
Cloths of all kinds	682,836	290,548	745,034
Carpets and druggets	262,890	157,113	547,952
Shawls, rugs, &c.	59,473	18,028	36,436
Worsted stuffs of wool only, and of wool mixed with other material	1,869,191	1,711,453	2,727,118

PROVISIONS.

The imports of butter, cheese and eggs have increased; nevertheless, the value of these articles continues to rule high throughout the United Kingdom; and there seems to be no prospect of a return to even a moderate range of prices for some time to come. The imports for eight months were:

	1864.	1865.	1866.
Bacon and hams, cwts.	898,607	509,909	521,119
Beef, salt, cwts.	242,473	161,558	148,362
Pork, salt, cwts.	162,835	122,485	141,162
Butter, cwts.	596,886	659,861	671,510
Cheese, cwts	440,284	456,102	406,610
Eggs, number	242,339,280	267,964,840	336,331,940
Lard, cwts.	142,979	87,677	217,076

LIVE STOCK.

The cattle plague in the United Kingdom has almost entirely died out, the cases reported by the authorities being always less than one hundred per week. The stringent regulations enforced by the Government have not been modified, and as a large number of sheep infected with small pox were recently imported, it is expected that some time will yet elapse ere the cattle traffic of the United Kingdom will resume its normal position. Much attention appears to have been directed to the production of sheep since the cattle plague first broke out, and the supply of sheep in England has greatly increased during the last twelve months. Meat is still very dear in Great Britain; but there is a tendency to lower prices, and it is now stated that butchers' meat has seen its highest point. The ports of Rotterdam and Amsterdam are still prohibited from sending beasts, sheep, lambs and calves to England. The imports of cattle, &c. for eight months were as follows:

IMPORTS OF LIVE STOCK INTO GREAT BRITAIN.

	1864.	1865.	1866.
Oxen, bulls and cows	82,447	119,323	122,603
Calves	29,378	35,553	19,851
Sheep and lambs	256,694	427,499	590,549
Swine and hogs	37,630	64,559	47,076

SHIPPING.

In the month of August and the eight months ending Aug. 31, the following number of American vessels entered and cleared at ports in the United Kingdom:

	Number.	Tonnage.
Entered in August, 1866	52	57,700
do 1865	45	49,125
do 1864	35	37,612
Entered eight months ending Aug. 31, 1866	314	334,845
do do do 1865	195	212,952
do do do 1864	287	320,940
Cleared in August, 1866	44	43,301
do 1865	39	41,206
do 1864	48	49,837
Cleared eight months ending Aug. 31, 1866	382	376,699
do do do 1865	212	212,764
do do do 1864	291	318,344

The following statement shows the number of vessels of all nationalities entered and cleared at ports in the United Kingdom from and for the United States in the above periods:

	Number.	Tonnage.
Entered in August, 1866	166	136,306
do 1865	63	70,655
do 1864	124	94,107
Entered eight months ending August 31, 1866	1,162	1,044,481
do do do do 1865	354	406,687
do do do do 1864	769	715,365
Cleared in August, 1866	107	120,969
do 1865	92	106,267
do 1864	92	100,115
Cleared eight months ending August 31, 1866	962	1,008,568
do do do do 1865	536	624,092
do do do do 1864	825	850,919

COTTON CROP FOR 1865-66.*

We are now able to give our figures showing the total crop and movement of cotton in the United States for the year ending September 1, 1866. It will be seen that the receipts for the twelve months reach in the aggregate 2,241,222 bales: to which if we add the receipts from the close of the war† to the first of September, 1865, we have the aggregate receipts 2,662,222 bales. Estimates differ with regard to the amount of the old crop still in the South not brought forward. We put it at 150,000 bales, which gives us 2,812,222 bales as the total cotton supply of the South since the war closed. We thus see that the highest estimates made were more nearly correct than any others. Below we give our table showing the total receipts and exports the

* This article was prepared and most of the figures in type before we had seen the statement of the crop which has been issued by the *Shipping List* of this city, within a day or two. Our figures differ somewhat; but we believe those we give can be relied upon, as we have kept the record with the greatest care from week to week.—*Ed.* COMMERCIAL AND FINANCIAL CHRONICLE.

† We take the estimate given by Neil Brothers of the receipts before the first of September, 1865 as we kept no record at that time.

past year, to which we have added the export figures for 1860–61 for comparison. In the last column will be found the total stocks, August 31, 1866.

Receipts and Exports of Cotton (bales) from Sept. 1, 1865, to Sept. 1, 1866, and Stocks at latter date.

Ports. From Sept. 1, '65, to Sept. 1, 1866.	Received since Sep. 1, '65.	Exported since Sept. 1, '65, to— Great Britain.	France.	Other for'gn.	Total.	Exports in 1860-6.	Stocks, Sept. 1, 1866.
N. Orleans*	711,629	358,878	134,510	22,800	516,188	1,733,673	103,022
Mobile	429,102	229,171	40,184	1,579	270,934	456,421	29,009
Charleston†	110,761	46,952	6,050	822	53,824	214,388	5,535
Savannah	265,026	91,413	1,492	....	92,905	302,187	8,144
Texas	175,065	59,435	1,789	3,214	64,388	63,209	7,605
New York‡	284,461	413,927	38,618	42,917	495,462	243,049	88,642
Florida	149,432	37,977	....	....	37,977	28,073	162
N. Carolina	64,653	21	....	....	21	195	....
Virginia	39,093	....	....	....	....	810	....
Boston	....	11,759	....	255	12,014	23,225	$46,000
Philadelphia	....	2,035	....	....	2,035	3,793	
Baltimore	....	6,709	....	....	6,709	3,545	....
Other ports.‖	62,000	...	....	....	....	....	....
	2,241,222	1,258,277	222,593	71,817	1,552,457	3,127,588	261,179

It will be seen from the foregoing that the exports from all the ports, for the year, were 1,552,457 bales. If we average the bales at 400 lbs., we find that the value, in gold, of our cotton exports was over 230 millions of dollars. What stronger argument than this mere fact could be used to show the impolicy of fettering the cultivation of this staple with regulations and taxes which may discouruge its cultivation. For the convenience of our readers we give in the table below the portion of these exports which were shipped directly from the South. The total thus shipped will be found to be 11,036,237 bales, leaving 516,220 bales as the exports through the Northern ports:

	New Orleans.	Mobile.	Charleston.	Savannah.	Texas.	Florida.	N. C.	Total South'n ports.
Liverpool	358,878	228,016	46,952	91,413	59,435	37,977	21	823,69[illegible]
Other ports	.....	1,155	.....	.....	.....	.....	..	1,155
Total, G. Britain	358,878	229,171	46,952	91,413	59,435	37,977	21	823,847
Havre	133,744	40,184	5,952	1,492	1,789	.....	..	.....
Bordeau, &c	766	.....	98	.....	.....	.....	..	.....
Total, France	134,510	40,184	6,050	1,492	1,789	.....	..	183,975
Brem. & Hanov. &c	3,731	270	.....	.....	3,014	.....	..	.....
St. Petersburg, &c	1,701	.....	.....	.....	.....	.....	..	.. ...
Total, N. Europe	5,423	270	.....	.....	3,014	.....	..	8,706
Oporto, Spain, and Gibralter	16,454	1,268	510	.....	.....	.....	..	.....
Genoa, Grieste, &c	286	....	312	.....	.....	.....	..	.....
Mexico, &c	638	41	.....	.....	200	.....	..	.....
Total, other	17,378	1,309	822	.....	200	.....	..	19,709
Total exports	516,188	270,934	53,824	92,905	64,388	37,977	21	1,036,237

Below we give our own detailed statement of the movement of cot-

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* In the New Orleans receipts, we deduct receipts from Mobile, Montgomery, Florida, and Texas (in all 75,757 bales), as they are counted in the receipts of those ports respectively.
† From the receipts at Charleston, we deduct 945 bales received from Florida.
‡ These are the shipments from Tennessee, Kentucky, &c., not otherwise counted.
§ Estimated. ‖ The receipts included under this head are the estimated amount manufactured in Virginia, the West, &c., together with the amount burned in New Yor[illegible]

ton through the year, and, for comparison, bring forward the figures for the year 1860–61, as published in the *Shipping List* at that time:

Louisiana.

	1865-66		1860-61	
Exported from New Orleans:				
To foreign ports	516,188		1,783,673	
To coastwise ports	252,355		132,179	
Burnt at New Orleans	...		3,276	
Stock close of year	102,082—	870,625	10,118—	1,929,246
Deduct:				
Received from Mobile	86,483		48,270	
Received from Montgomery	4,378		11,551	
Received from Florida	12,785		13,279	
Received from Texas	32,111		30,613	
Stock beginning of year	83,239—	158,996	73,239—	117,647
Total product for year		711,629		1,751,599

Alabama.

Export from Mobile:				
To foreign ports	279,934		456,421	
To coastwise ports	142,764		127,574	
Manufactured in Mobile	...		2,000	
Burnt at Mobile	6,307		....	
Exported to N. O. from Montgomery	4,378		11,551	
Stock at close of year	29,0 0—	453,302	2,481—	600,027
Deduct stock beginning of year		24,290		41,6 2
Total product for year		429,102		558,345

Texas.

Export from Galveston, &c.:				
To foreign ports	64,388		63,209	
To coastwise ports	115,943		84,254	
Stock at close of year	8,511—	188,922	452—	147,915
Deduct stock beginning year		13,857		3,168
Total product for year		175,065		144,747

Florida.

Exported from Apalachicola, St. Mark, &c.:				
To foreign ports	37,977		28,073	
To coastwise ports	123,943		85,963	
Burnt at St. Marks	.....		150	
Stock at close of year	169—	162,082	7,860—	122,036
Deduct stock beginning of year		12,650		864
Total product for year		149,432		121,172

Georgia.

Export from Savannah:				
To foreign ports—Uplands	88,313		293,746	
Sea Islands	4,592		8,441	
To coastwise ports—Uplands	161,056		170,572	
Sea Islands	5,113		11,512	
Stock in Savannah end of year	6,632		4,102	
Stock in Augusta, &c., end of year	9,558—	275,264	5,991—	494,364
Deduct:				
Received from Florida—Sea Islands	.....		1,033	
—Uplands	.....		6,188	
Stock beginning of year—Savannah	4,005		4,307	
Augusta	6,233—	10,238	5,252—	16,780
Total product for year		265,026	477,584	

South Carolina.

Exports from Charleston and Georgetown:				
To foreign ports—Uplands	51,619		199,345	
Sea Islands	2,205		15,043	
To coastwise ports—Uplands	50,894		121,663	
Sea Islands	3,435		8,255	
Burnt at Charleston	....		564	
Stock in Charleston end of year	5,535	113,678	2,899—	347,869

Deduct:				
Received from Florida and Savannah				
—Sea Islands	945		255	
Uplands	....		2,378	
Stock in Charleston beginning of year	1,972—	2,917	3,897—	11,530
Total product for year		110,761		3:6 339
North Carolina.				
Export:				
To foreign ports	21		193	
To coastwise ports	64,632—	64,653	00,156—	56,29[illegible]5
Virginia.				
Export:				
To foreign ports	.....		810	
To coastwise ports	37,648		61,129	
Manufactured (taken from ports)	No account		16.993	
Stock end of year	3,250	40,893	2.000—	80,932
Deduct stock beginning of year		1,800	2,800	
Total product for year		39,093		78,132
Tennessee, &c.				
Shipments from Memphis, Nashville, Columbus, Hickman, Ky., &c	275,158		392,428	
Stock end of year	3,466—	278,624	1,671—	393,499
Deduct:				
Shipments to New Orleans, &c	33,132		196,366	
Stock beginning of year	10,831—	44,163	1,709—	198,075
Total product for year		234,461		195,424

PACIFIC RAILROAD OF MISSOURI.

The Pacific Railroad of Missouri consists of a main line extending west from St. Louis to the Kansas State line, 283 miles, with a branch from Franklin to Rolla, 77.5 miles, to be continued to the southwest corner of the State. The main line is the connecting link between the eastern roads and the Union Pacific (E. D.), now open to Fort Riley and Junction City, 140 miles into the very heart of Kansas It also connects at Kansas City with the Missouri River Railroad, extending thence to Leavenworth. The branch points toward the Southern Pacific Railroad and any railroad that may be constructed to Galveston on the Gulf of Mexico. The company is one the great Land Grant and State-Aid Corporations of Missouri. It was chartered February 12, 1849, and organized January 31, 1850. In June, 1850, surveys for the lines were commenced, and July 4, 1851, the formal breaking of the ground took place. The main line was completed through so as to admit of trains being run over it September 20, and regular operations were commenced October 2, 1865. The construction of the road has thus being going on (with interruptions) through nearly fifteen years. The following statement gives the dates at which the several portions of the main road was brought into use:—from St. Louis to

Cheltenham	5.90	Dec. 23, 1852	Sedalia	189.00	Feb. 1, 1861
Kirkwood	13.00	May 9, 1853	Dresden	196.00	May 10, 1863
Franklin	37.00	July 20, 1853	Knobnoster	207.50	May 2, 1864
Washington	54.00	Feb. 11, 1854	Warrensburg	218.00	July 3, 1864
Hermann	81.00	Aug. 7, 1854	Holden	232.25	May 28, 1865
Jefferson City	125.00	Mar. 13, 1856	Keysville	237.00	June14, 1865
California	150.00	May 14, 1856	Pleasant Hill	248.50	July 26, 1865
Tipton	163.00	July 26, 1858	Independence	272.60	Sep. 19, 1865
Syracuse	168.00	Aug. 1, 1859	and to—		
Otterville	176.00	Aug. 24, 1860	Kansas City	283.00	.....
Smithton	181.50	Nov. 12, 1860			

—the road between Independence and Kansas City having been in operation some months (since July) previous to the completion of the road to Independence.

The Southwest Branch (which, as projected, will have a length equal to that of the main line) was opened to Staunton, 28 miles from Franklin, in 1857, to Harrison, 47 miles, in 1859, and to Rolla, 77½, in 1861. This branch, on account of default in paying interest on the State loan was last Spring taken possession of by the Governor, and has been recently sold to a new organization, which have undertaken to complete it within a given time. At the date of the last report it was being operated by State commissioners. The following statement describes the rolling stock owned by the company at the commencement and close of the last fiscal year:

	Pass. T. C.				Freight Train Cars.					
	Eng.	Pass.	B. & exp.	Mail.	Box.	Caboose.	Stock.	Flats.	Oth.	Total cars.
March 1, 1865	42	26	8	6	184	20	98	218	4	564
Feb. 28, 1866	48	31	17	7	239	23	133	211	15	676
Increase	6	5	9	1	55	3	35	...	11	112
Decrease	..	..	..	..	..	..	..	7	..	

The number of miles run by engines on the total road was, in 1864–5, 698,977 miles at a cost of $232,395 17 (= 33¼ cents per mile:) and, in 1865–6, 831,433 miles at a cost of $348,942 54 (= nearly 43 cents per mile.)

A full history of the road from its inception in 1849 to the close of the last fiscal year is given in the current Report. It is particularly interesting in its details of the raids by which it has several times been interrupted, and also of the relations of the company to the State government. The report can be obtained from the office at St. Louis.

OPERATING ACCOUNTS—EARNINGS AND EXPENSES.

The gross earnings from operations, and the transportation expenses for the fiscal years ending March 1, 1862–66, both inclusive (with the average length of road in use) have been as shown in the following statement:

Main line of Railroad.

Sources of revenue.	1861–62. (189 m.)	1862–63. (189 m.)	1863–64. (194 m.)	1864–65. (214 m.)	1865–66. (252 m.)
Passengers	$380,942 27	$253,029 67	$315,790 41	$453,880 41	$831,245 41
Freight	294,833 51	396,589 74	560,744 59	609,272 14	924,075 86
Mails	28,350 00	28,350 00	28,350 00	30,487 50	37,996 25
Rents, &c	2,180 71	1,986 65	3,860 95	5,127 64	1,039 00
Total earn'gs	$706,306 49	$679,956 06	$906,745 95	1,097,967 69	1,794,356 52
Trans. expe's	353,978 53	452,557 58	546,161 99	886,483 23	1,393,530 08
Net earnings	$352,327 96*	$227,398 48	$360,583 96	$211,484 46	$400,826 14

Southwest Branch Railroad.

Sources of Revenue.	1861–62. (113 m.)	1862–63. (113 m.)	1863–64. (113 m.)	1864–65. (113 m.)	1865–66. (113 m.)
Passengers	$94,863 97	$88,223 97	$ 5,114 15	$84,204 07	$69,923 61
Freight	82,663 48	149,451 85	160,792 25	107,902 30	82,501 34
Mails	3,799 97	3,800 00	5,614 60	5,775 00	5,775 00
Rents, &c	.....	.....	.....	12 00	.....
Total earnings	$180,327 42	$24 ,481 83	$25 ,551 00	$197,713 38	$158,199 95
Transportation Ex.	70,470 70	112,595 58	150,882 00	195,849 47	201,866 70
Net earnings	$109,856 72	$128,886 25	$100,668 99	$1,863 91	$. .....
Loss on operating Southwest Branch 1865–66					$43,676 75

Main Line and Southwest Branch together.

	1861-62. (30 ½ m.)	1862-63. (302 m.)	1863-64. (307 m.)	1864-65. (327 m.)	1865-66. (365 m.)
Gross Earnings	$836,633 81	$921,437 89	$1,158,296 95	$1,295,681 07	$1,952,556 17
Operating Expen	434,449 23	565,153 16	6 7,444 00	1,082,332 70	1,595,496 78
Net earnings	$462,184 59*	356,284 73	461,252 95	$213,348 37	$357,149 39

In the transportation expenses are included the cost of extraordinary repairs, etc., caused by the damages sustained at the hands of the rebels, and hence are no criterion by which to estimate the future ordinary expenses.

The following statement shows the gross earnings on the main line in each fiscal year from the commencement of operations:

1852 (8 days)	$103 15	1857-58	$668,346 59	1862-63	$679,926 06
1853	41,323 23	1858-59	674,248 93	1863-64	906,745 25
1854-55 (14 m.)	97,176 39	1859-60	648,600 00	1864-65	1,097,967 69
1855-56	330,222 21	1860-61	683,644 25	and	
1856-57	436,285 97	1861-62	706,306 49	1865-66	1,797,356 22

When it is recollected that these earnings have been made on a road only opened through last October, these figures are certainly very encouraging, and promise well for the future, when thoroughly equipped, and its extension to the Pacific Ocean accomplished.

CONDENSED BALANCE SHEET, MARCH 1.

The financial condition of the company, as exhibited on the Balance Sheet at the close of each of the last three years 1864-65 and 1866 is shown in the statement which follows:

Main Line of Railroad—March 1.

	1864.	1865.	1866.
Capital Stock paid in	$3,493,715 78	$3,497,085 45	$3,581,598 78
State Bonds	7,000,000 00	7,000,000 00	7,000,000 00
Mortgage Construction	.....	1,314,000 00	1,500,000 00
St. Louis County Bonds	.....	12,350 00	700,000 00
Land Grant Sales	108,963 01	111,215 97	131,039 88
" " Rents	155 40	216 90	255 90
Bills payable	48,144 80	241,209 21	911,688 16
Audited accounts unpaid	75,908 74	408,008 02	283,754 66
Transportation Receipts	5,567,957 77	6,645,300 15	8,461,010 75
Total	16,294,845 45	19,229,380 70	22,524,347 62

Against which are found charged as follows, viz:

Construction—East	$6,001,870 96	$6,022,716 87	$6,051,303 91
" —West	2,506,122 15	4,093,411 58	5,181,839 15
Rolling Stock	761,447 16	1,101,970 76	1,504,015 27
Office expenses	119,471 56	133,635 17	1 1,259 66
Contingences	73,026 61	75,062 75	76,110 21
Discount on Construction and anticipations	8,860 00	8,860 00	8,860 00
Commission on purchases	17,375 75	17,375 75	17,375 75
Interest account	718,828 88	750,241 28	933,297 97
Interest, discounts and commissions	1,137,994 03	1,141,078 89	1,228,933 28
Suspended debts	219,148 09	213,148 09	43,518 18
Cancel ed debts	.....	.....	169,629 91
Materials on hand	43,935 71	139,403 29	122,569 35
Cash in hands of Treasurer	65,341 77	.....	.....
" " of Trustees	.....	21,734 05	31,578 05
" " of fund commissioners	....	3,155 35	2,893 00
Land grant expenses	5,357 77	5,362 43	6,044 83
Transportation expenses	4,616,148 06	5,502,631 29	6,896,161 97
Due by Southwestern Branch	.....	.....	61,968 12
Total	16,294,845 45	19,229,380 70	22,524,347 62

* Less State of Missouri by $9,240 80, not allowed.

Southwest Branch Railroad.

	1864.	1865.	1866.
Capital Stock paid in	$70,513 33	$70,513 33	$ .....
State Bonds	1,268,004 00	1,268,000 00	1,268,000 00
Construction Bonds	3,232,000 00	3,243,000 00	3,282,000 00
Sales of Lands	20,655 83	20,655 83	20,655 83
Rent of Granby Mines	24,328 94	24,328 94	24,328 94
Transportation receipts	767,809 55	960,640 20	1,151,718 40
Audited Accounts unpaid	.....	.....	95 00
Balance due Main Line	.....	.....	61,968 12
Total	5,385,307 65	5,576,138 30	5,758,766 29

Against which are found charged, viz:

Construction	$3,098,253 22	$3,098,939 84	$3,099,574 84
Rolling Stock	116,926 86	116,926 86	119,737 57
Office expenses	34,370 61	41,912 61	46,650 50
Commission on purchases	2,140 94	2,140 93	2,140 08
Contingences	24,129 17	24,166 92	28,696 92
Interest on Bonds	567,321 94	567,321 94	577,321 94
Materials on hand	49,781 56	.....	.....
Cash	.....	31,992 61	.....
Discounts and Commissions	1,028,539 59	1,032,975 59	1,092,765 59
Expenses of Geological Survey, &c	42,020 22	42,309 16	42,309 16
Transportation expenses	421,823 55	617,561 84	819,538 54
Total	5,385,307 65	5,576,138 30	5,758,766 29

THE MEMPHIS AND CHARLESTON RAILROAD.

The Memphis and Charleston Railroad, from its geographical position and direction, and from its eastern connections, continuing it to the great Atlantic ports, from Alexandria to Savannah inclusive, is evidently one of the most important lines of transit in the States south of the Ohio river. Commencing at Memphis, it traverses southwestern Tennessee, then passing south into Mississippi, striking Corinth, and thence eastward through Alabama, *via* Tuscumbia, Decatur and Huntsville to Stevenson, where it connects with the Nashville and Chattanooga Railroad, a distance from Memphis of 272 miles; thence it is continued to Chattanooga by the latter road a further distance of 37 miles. As is well known this latter point is the most important between the Mississippi and the seaboard, being a grand centre of converging railroads, which come in from Alexandria, Richmond, Charleston and Savannah. At Memphis the road is connected with the Memphis and Little Rock Railroad, nearly completed to the capital of Arkansas. At Moscow it gives off the Somerville branch of 14 miles. At Grand Junction, 52 miles east of Memphis, it is crossed by the Mississippi Central Railroad; at Corinth, 93 miles east, by the Mobile and Ohio Railroad; and at Decatur, 188 miles east, by the Nashville and Decatur Railroad, etc. There is also a branch from Tuscumbia to Florence. Thus, in whatever direction, whether looking east, west, north or south, we find the road connected or intersected by the most important lines of the country, reaching with their combinations from the lakes to the Gulf, and from the Atlantic to the far interior. Such a line cannot be without a vast significance in the railroad system both of the present and the future, and hence its affairs, in a financial as well as a physical sense, must command the attention of all men interested in the development and progress of the vast country traversed by it, and over which it throws its wide-spreading arms.

The report of the President to the stockholders giving a complete statement of the transactions of the Company for the five years ending June 30, 1866, covering the period of the war, has been sent to us; and from it and previous reports we compile such statements as will best illustrate the eventful history and present condition of the company and their road. When the last annual report was published for the year ending June 30, 1861, the country was engaged in a civil war which had changed and disturbed every channel of trade and commerce, and utterly destroyed all natural and healthy business, leaving the railroad dependent for support on a precarious war-created traffic. This road, however, continued in the hands of the company, though subject to military control, until April 11, 1862, when a large federal army suddenly appeared at Huntsville, Ala., capturing the road, offices, rolling stock, material, etc., belonging to the company. Only five days previous to this capture the bloody battle of Shiloh had been fought near the line north of Corinth, and the western division fell into the hands of the Confederate army. The seige of Corinth succeeded and continued through the remainder of April, and to May 30, when on the withdrawal of the Confederate forces all the moveable property of the company within their reach was ordered to be taken down the Mobile & Ohio and the Mississippi Central Railroad. The destruction of property in these migrations was immense. Locating at Marion, Miss., temporary shops were erected for putting the machinery in order; but as fast as an engine and car was completed it was ordered away by the military authorities. This enterprise was, on this account, soon abandoned, and the agents of the company were then allowed to hire out their rolling stock to needy roads, and receive therefor stipulated rents, which during 1863-4-5 constituted the chief source of income to the company. In the fall of 1862 the eastern division of the road between Stevenson and Decatur was evacuated by the Federals, and the company resuming possession, rebuilt and repaired the road sufficiently to bring that portion of the line into use again. Operations, however, were soon interrupted, and on the 1st of July, 1863, the Confederate commander forced the company to evacuate the line and carry the rolling stock South. From this time until the close of the war, the property, or most of it, remained in the hands of the Federal army, but subject to frequent raids by the Confederates. The contest over this section of the country, indeed, was so hot that neither party had been able to operate the road through after it was first cut in April, 1862. Subsequently to the surrender of Lee, the company applied to the President to release their road; and, after some necessary forms of procedure, they succeeded in obtaining the transfer. On the 11th of September, 1865, the western division was surrendered, only seventy-four miles of which (Memphis to Pocahantas) were in running order, the remainder 114 miles (Pocahontas to Decatur) being almost entirely destroyed, except the road-bed and iron rails, and these in a very bad condition. What little machinery the war had left was scattered over the South, and had been run for four years with little or no repairs. To supplement this, the company purchased of the United States military authorities sufficient rolling stock to operate the open portion of the line, for which they gave bond to pay $491,920 68 on the 1st of January, 1867—this bond to be credited with all service performed by the company for

the Government. The Government also turned over to the company eighteen locomotives that had been captured in the early part of the war, which added largely to their ability to prosecute repairs and do such business as was offered on the line.

The work of construction, equipping, and reorganizing the road was prosecuted with all the vigor and energy that the means of the company and the condition of the country and its labor would admit. It was operated as fast as repaired, and on the 6th of November, 1865, trains were run over the entire main line, except the single break at Decatur, where the bridge over the Tennessee had been destroyed. This bridge, however, was eventually restored, and trains passed over it on the 7th of July, 1866.

From the above it would appear that the road in all the five years covered by the report, has been in the hands of the company but a few months at most. After April 11, 1862, and to September 11, 1865, it was in possession of, or interrupted by one or both contesting armies. After the final release in September, 1865, and for two months thereafter, a large part of the line was in no condition for use, and that even at the close of the five years on the 30th June last, the bridge at Decatur was not yet finished. These facts are the necessary key to the company's accounts, and as such they are given in this connection.

In the following tables we give an analysis of the earnings from operations and other sources of income for the five years ending June 30, 1866, and the disbursements for ordinary expenses, interest, dividends, &c., for the same period of time, with the final disposal of net revenue and the balance to debit of this account. In this statement will be found all the elements necessary to the understanding of the financial operations of the company from 1861 to 1866, and which in connection with the foregoing historical resume, and the general balance sheet (which is given hereafter,) will suffice to illustrate the consequences of the hostilities which made the M. & C. R R. and its vicinity the chief field of operations:

PROFIT AND LOSS ACCOUNT—1861-66.

	1861-62.	1862-63.	1863-64.	1864-65.	1865-66
Passenger	$931,305 11	$76,810 19	$.....	$8,307 65	$582,157 64
Freight	946,696 70	79,825 81	.....	27,590 55	539,916 62
Mails	43,358 11	4,703 85	.....	.....	20,506 48
Express	58,466 84	.....	.....	.....	51,092 50
Rents	.....	238,738 70	477,562 45	703,411 65	29,933 91
Suspense account	.....	138,903 31	.....	.....	.....
Materials	.....	.....	301,963 77	69,215 79	.....
Drawbacks	.....	.....	24,127 16	.....	.....
Other sources	4,279 09	28,119 79	.....	.....	700 00
RR. mat. on hand	.....	.....	37,386 19	.....	6,750 91
Interest & exch'ge	.....	.....	.....	.....	158,555 12
Total resources	1,984,105 85	$567,101 14	$841,029 37	$808,525 64	1,439,613 13

Against which are charged as follows, viz:

Road expenses	$631,002 34	$105,126 21	$49,310 53	$60,850 46	$650,164 98
Int. on State bonds	64,860 00	64,860 00	64,740 00	64,740 00	.....
Int. on Co's bonds	103,580 00	88,585 00	90,930 00	90,580 00	90,580 00
Cash divi'd (6 p. c.)	212,500 00	212,509 00	.....	.....	.....
Stock div. (33⅓ p. c)	1,330,841 67	.....	.....	.....	.....
Int. and exchange	.....	.....	52,944 68	197,231 55	.....
Total disburse'nts	2,342,743 01	$470,900 21	$257,925 21	$413,402 01	$740,744 98

The balance to credit of profit and loss remaining over on the 1st July, 1861, amounted to $993,198 53

To which add—

Income and resources, 1861-62, as above				$1,984,105 85	
do	do	1862-63	do	567,101 14	
do	do	1863-64	do	841,029 57	
do	do	1864-65	do	808,525 64	
do	do	1865-66	do	1,439,613 13—	$5,640,375 43
Total resources, including balance					$6,633,573 86

From which deduct—

Cash dividend, No. 5, Sept. 30, 1861				$152,501 00	
Disbursements, as above, 1861-62				$2,342,743 01	
do	do	1862-63		540,900 21	
do	do	1863-64		267,925 21	
do	do	1864-65		413,402 00	
do	do	1865-66		740,744 96—	$4,378,216 37
Balance to be accounted for					$2,255,357 49
Due by Confederate States charged off				107,900 77	
Coupon Bonds, (Tenn. War, repudiated and Confederate States				91,850 00	
Confederate Money on hand and in hands of Agents, charged off				41,396 57	
Loss on Cotton; purchases made in Confederate and sales in Federal currency				313,131 89	
Deductions made on Railroad and Individual Accounts, reducing them to Federal currency				287,156 03	
Bank of Tennessee deposit, C. S. currency—worthless				83,577 50	
Premium Shelby Iron Co.'s stock, purchased in Confederate money				50,000 00	
Agents for C. S. accounts, and money on hand, in their hands, and reducing same to Federal currency				21,122 41	
Railroad Supply Co. investment in Confederate currency; assets received in gold				24,056 50	
W. B. Vincent, tobacco lost				1,089 14	
J. F. Pride & Co., (Negro hire)				1,253 33	
Sundry accounts on Books, (E. D.) reduced from Confederate to Federal currency				7,240 70	
Interest paid the State of Tennessee in Confederate money, which she repudiated, and interest accruing 1st Jan'y, 1866, in present liabilities, paid in currency				162,330 00	
Losses to construction accounts, Road Materials and equipments by the war, and charged off so as to show the value of the property at the close of the war				1,195,166 79—|	$ 2,867,271 72
Balance against account July 1st, 1866					$111,914 23

The following shows the loss and damage to roadway, materials, rolling-stock and other property of the Company by the war, from April 11, 1862, to July 1, 1865:

Bridging and trestles	$223,683 00	Freight cars (593)	$299,450 00
Depot buildings	58,700 00	Passenger and baggage	21,500 00
Division houses, sheds, &c.	42,000 00	Shop machinery	38,642 00
Tools	4,000 00	Locomotives (48)	150,000 00
Road, viz., gravel, wrecking, &c., cars	23,250 00	Railroad materials	30,000 00
Miscellaneous	245,941 79		$597,592 00
	$597,574 79		
Total amount of loss and damage (as charged above)			$1,195,166 79

The table which follows shows the changes effected in the construction account from July 1, 1861, to June 30, 1866:

	Cost of road, &c., to July 1, '61.	Damages to road, &c., 1861-65.	Exp'itures in reb'lding, &c., 1865-66.	Cost of road, &c., July 1, 1866.
At'ney's fees & court costs	$13,431 42	$.....	$.....	$14,241 27
Ballasting	6,233 51	.....	.....	6,233 51
Bridges and trestles	416,246 70	156,783 00	136,473 42	409,017 85
Cross ties	201,960 28	18,700 00	18,700 00	201,960 28
Depot buildings, cotton platforms, and road crossings	235,270,39	58,700 00	44,016 91	230,378 91
Division and tool houses	25,041 88	20,000 00	15,668 70	22,788 43
Engineering & conting'cies	153,732 01	.....	.....	156,673 68
Florence branch	220,627 17	66,900 00	.....	153,727 17
Fencing	4,017 58	.....	.....	5,098 42
Freight cars	406,214 02	315,200 00	190,780 96	283,861 85
Grading, masonry, clearing, grubbing	1,920,261 27	.....	.....	1,940,441 51
Salaries	57,005 75	.....	.....	57,005 75
Iron spikes, castings, &c.	1,936,481 78	71,700 00	68,480 21	1,944,709 61

Locomotives	453,697 79	150,000,00	184,750 00	467,947 79
Machine shops and engine houses	115,688 42	.....	.....	116,014 97
Machinery for shops	47,542 65	26,642 00	33,174 78	43,775 39
Passenger & baggage cars	115,194 71	81,500 00	40,140 00	71,434 71
Righ of way	39,618 75	.....	.....	46,393 00
Road and hand cars	18,885 67	7,400 00	9,683 75	21,019 42
Real estate	67,072 52	.....	.....	64,169 82
Track-laying	226,305 09	81,541 79	81,541 79	236,607 11
Contingent expenses	24,696 82	.....	59 23	24,756 05
Wood and water stations	72,747 65	22,000 00	15,617 53	63,568 57
Commissions	21,653 81	.....	.....	24,653 81
Discount on Co.'s bonds	199,696 26	.....	.....	199,696 26
Stationery and printing	2,342 18	.....	.....	2,290 18
Totals	$7,016,625 03	$1,087,166 79	$839,087 23	$6,810,488 83

The cost of road, &c., in 1866, includes some permanent work and equipment, added in 1861-2, to the amount of $41,943 36.

BALANCE SHEET—JUNE 30, 1866.

The financial condition of the company, as shown on the general balance at the close of the last fiscal year, is seen in the following statement:

	West'n div.	East'n div.	Whole line.
Capital stock	$1,988,900 00	$3,323,825 00	$5,312,725 00
Company bonds	120,000 00	1,174,000 00	1,294,000 00
State of Tennessee	1,591,990 00	.....	1,591,990 00
Floating debt	1,070,344 26	391,970 11	1,462,314 37
(Huntsville office*	1,002,949 10	.....	.....)
Receipts, 1865-6	1,432,862 22	.....	1,432,862 22
Total	$6,204,096 48	$4,889,795 11	$11,093,891 59

Against which are charged, viz.:

Construction proper	$2,559,320 18	$3,083,741 56	$5,643,561 74
Incidental to construction	84,669 54	237,973 78	322,643 32
Equipment	374,807 10	469,476 67	844,283 77
Interest and expenses	740,744 98	.....	740,744 98
Stock, property, &c	414,332 78	34,589 66	448,922 44
Coupon bonds on hand	1,380,000 00	.....	1,380,000 00
Other assets	848,639 53	61,068 64	909,708 81
(Memphis office*	.....	1,002,949 10	.....)
Profit and loss	804,031 52	.....	804,031 52
Total	$7,207,045 58	$3,886,846 01	$11,093,891 59

The profit and loss debit, $804,031.52, was reduced by the entries for 1865–66, made July 1, to $111,914.23, as shown in the account previously given.

The changes made in the stock and bond account since July 1, 1864, have been as follows: at that date the capital stock amounted to $3,812,525, and was increased by the stock dividend 33 1-3 per cent ($1,330,841.67, less $10,641.67 fractional paid in cash), and the conversion of 180 bonds ($180,000) to $5,312,725. The company bonds, July 1, 1861, amounted to $1,569,000, and were reduced by conversion ($180,000), and by purchase with Confederate money ($95,000), leaving the present amount at $1,294,000. The debt to the State in 1861 was $1,080,000, and in 1866 $1,591,990, having been increased by a new loan of $300,000, and the funding of coupons of the old debt from Jan. 1, 1862 to Jan. 1, 1866, $259,200, making the debt $1,640,200, less sinking fund which was paid previous to the report of 1861 $48,210.

* This account between the Memphis and Huntsville offices does not, of course, enter the aggregate account.

The aggregate floating debt $1,462,314.37 (in 1861 only $259,634.11) is made up thus: bills payable $231,111.25, bills payable to United States $491,920.68, due individuals $219,422.69 and sundries (chiefly current) $127,889.64.

On the other side of the account there appears an item headed "coupon bonds on hand" $1,380,000. These consist of Tennessee 6's $1,050,000, Selma and Meridian Railroad 1st mortgage bonds $200,000, South and North Alabama Railroad 1st mortgage bonds $100,000, and Mobile and Ohio Railroad 1st mortgage bonds $30,000.

The assets of the Company other than the bonds as above consist of bills receivable $122,782.73, individual dues $154,328.98, due by agents $14,939.30, due by connecting roads $46,9761.92, due by United States $72,447.26, cash on hand $69,443.68, and cotton unsold $6,000—total as above $909,703.87.

Commenting on these matters the President's Report to the stockholders says: "One of the largest items increasing your liabilities since last report (1861) as will be seen by the Treasurer's Balance Sheet and profit and loss account is—

Accrued interest to the State of Tennessee	$297,779
" " on Company bonds	464,205

—total $761,984. This includes all interest to May 1866 on company bonds and to July, 1866, on State bonds.

The President states in his report that the holders of past due coupons, have shown no disposition to embarrass the company by pressing their claims; but some arrangement should be made at an early day to take up these coupons and resume the payment of interest on the company's bonds as it falls due. This, the Board thinks, can and should be done by May next. They are of opinion that the holders of these coupons would be willing to surrender them and take the company's notes for them with interest from a given time, payable during the fall and winter of 1867. This done, it is thought that the company could resume payment of interest by May 1st next.

On the subject of dividends the President says:

"The question has often been asked me, When do you expect to pay a dividend? This is a very hard question to answer definitely. I said when the road was turned over to the company in September, 1865, that it would take two years' receipts to rebuild the road and restore its buildings and equipment. I have seen no reason for changing this opinion, and without some arrangement to fund a large portion of your floating debt, dividends cannot safely be counted upon before the fall of 1867; and I am of opinion that it will be wise policy to use the receipts of the road to reduce this debt to a basis that it can be carried along with ease without interfering with dividends before any dividends are paid. By this means you can also use a million of dollars of your assets to reduce your funded debt, and you then have your road and its liabilities in a condition that you may rely with certainty upon always realizing your dividends every six months which will give permanence and stability to the value of your stock and greatly enhance its market value—objects so desirable, in my judgment, as to convince every stockholder of the wisdom of the policy."

RAILROADS AND CANALS OF NEW JERSEY.

We have compiled the following statement from the reports to the State Legislature for the year ending Dec. 31, 1865, and other official sources. It exhibits the financial condition of each work at that date, and also the earnings, expenses, &c., of each during the year then closing:

Titles of Companies.	Share capital.	Bonded debt.	Floating debt.	Miles of w'rk.	Cost of work & equip.
Belvidere Delaware	$997,112	$2,193,000	$259,473	64.20	$3,425,878
Burlington County	177,750	60,000	16,750	7.12	254,500
Camden and Amboy	4,548,800	10,169,472	175,000	104.20	9,476,363
Delaware and Raritan Canal	2,298,400			65.50	4,315,143
Camden and Atlantic	1,062,743	1,034,776	143,352	60.22	1,885,941
Cape May and Millville	447,000	200,000	13,552	39.00	659,608
Central	10,685,940	1,509,000	.....	73.08	13,255,237
Freehold and Jamesburg Agric	230,845	.....	.....	11.50	230,332
Flemington	150,011	99,500	119,739	12.00	369,250
Hackensack and New York	94,100	40,000	.....	4.88	154,416
Jersey City and Bergen Point	200,000	.....	.....	10.00	200,000
Hibernia Mine	25,250	.....	15,000	4.00	40,250
Lodi Branch	20,000	.....	.....	0.78	20,000
Long Branch and Sea Shore	176,277	.....	.....	9.00	176,277
Long Dock and Tunnel	500,000	2,000,000	.....	2.88	2,480,000
Millstone and New Brunswick	102,365	.....	8,749	6 63	111,114
Millville and Glassboro	368,200	3,750	176	22.30	433,303
Morris Canal	2,000,000	860,715	....	101.00	3,093,627
Morris and Essex	3,199,050	3,084,775	108,104	90.00	6,537,292
Newark and Bloomfield	103,890	.....	.....	6.00	112,575
New Jersey	5,000,000	805,000	. ..	33.80	4,641,335
Northern	158,800	280,000	64,521	21 27	467,561
Orange and Newark	281,550	305,950	.....	17.00	599,414
Paterson and Hudson River	630,000	.....	.....	14.50	630 000
Paterson and Ramapo	248,000	100.000	.....	15.12	350,000
Perth Amboy and Woodbridge	57,200	100.000	.....	6.50	214,583
Raritan and Delaware Bay	2,520,700	1,498,000	664,885	81.00	3,975,489
Rocky Hill	45,345	.....	.....	3.50	45,006
Salem	180,550	100,000	.....	16.00	262,565
South Branch	388,300	.....	.....	16.00	408,582
Sussex	192,625	200,000	5,074	12.00	397,699
Vincenttown Branch	50,000	.....	.....	4.50	49,833
Warren	1,498,300	600,000	.....	21.04	2,008,300
West Jersey	588,400	400,000	388,000	38.05	1,588,483
Total	39,132,508	25,623,938	1,982,875	994.58	62,869,950

From this it appears that the average cost of road and canal per mile is $63,212. The Central cost $178,082, the New Jersey $137,318, the Warren $95,633, and the Camden & Amboy $91,119. Exclusive of these the average cost was $43,922 per mile. The Delaware & Raritan Canal cost $65,880 and the Morris Canal cost $72,636 per mile. The least costly of the roads, are those of the South and West parts of the State. The Cape May and Millville cost less than $17,000 and the Salem less than $16,500 per mile.

The earnings, expenses, profits, &c., of the same roads are given in the following statement:

Railroads and Canals.	Earnings.	Expenses.	Profits.	Dividends.
Belvidere Delaware	$589,057	$496,888	$143,169	.....
Burlington County	66,570	68,838	(Loss)	.....
Camden & Amboy	5,146,650	4,254,726	891,924	5&5 in stk.
Delaware & Raritan Canal	1,128,007	317,578	810,429	5&5 in stk.
Camden & Atlantic	283,638	189,571	94,067	.....
Cape May & Millville	81,323	70,038	11,284	.....
Central	3,034,390	1,748,434	1,287,956	10&25 ext.
Freehold & Jamesburg Agric	49,839	32,610	17,199	5
Flemington	15,402	17,123	(Loss)	.....
Hackensack & New York	47,304	41,624	5,770	.....
Jersey C. & Bergen P't (dummy)	(No return)		.....	.....
Hibernia Mine	18,880	14,867	4,013	.....
Lodi Branch	(No return)		.....	.....

Long Branch & Sea Shore	(Not in operation at date)			
Long Dock (Tunnel)	(Leased by Erie)			7
Millstone & New Brunswick	12,947	8,110	4,387	
Millville & Glassboro	53,362	32,436	20,926	6
Morris Canal	596,033	298,742	297,301	10
Morris & Essex	680,456	513,786	166,670	7 cash&stk
Newark & Bloomfield	40,649	33,593	7,056	3½
New Jersey	1,875,981	1,072,658	803,323	10
Northern	185,032	158,158	26,874	
Orange & Newark	105,357	75,899	29,458	
Paterson & Hudson River	(Leased by Erie)			8
Paterson & Ramapo	(Leased by Erie)			5
Perth Amboy & Woodbridge	12,160	11,808	352	
Raritan & Delaware Bay	320,024	351,586	(Los-)	
Rocky Hill	(No return)			
Salem	37,469	26,919	10,550	6
South Branch	(Included in Central)			
Sussex	53,054	36,706	16,348	
Vincenttown Branch	(Included in Burlington County)			
Warren	272,695	149,988	122,713	5½
West Jersey	255,593	199,000	56,593	

The above dividends were paid on an aggregate share capital of $29,988,675; the amount of non-dividend paying capital was $9,143,288.

FINANCES OF IOWA.

The population of Iowa in 1865 was, as stated in a late issue, 754,732, being an increase in the five years then ending of 79,989, or 11.95 per centum.

The assessed valuation of taxable property in the State, according to the lists for 1859 and 1865, compare as follows:

	1859.	1865.
Taxable land, acres	26,949,871	28,061,051
Value of taxable land	$133,283,903	$140,061,205
" of town property	31,359,165	27,481,397
" of personal property	33,174,282	57,578,116
Total valuation	197,867,350	225,120,718

The taxes levied in 1859 averaged 1½ mills on the dollar yielding $296,735; in 1865 they were 2 mills on the dollar, yielding $430,126.

The receipts from all sources and disbursements of the Treasury for the two years ending October 31, 1859, and for the two years ending October, 1865, are thus stated;

	Two years, 1858-1859.	Two years, 1864-1865.
Receipts (including balances)	$777,033 87	$977,827 10
Disbursements on all accounts	751,403 13	952,739 42
Leaving a surplus of	$25,630 74	$25,087 98

In the accounts for the two years 1864-1865, are included the expenditures of the War and Defence Fund, amounting for the term to $207,266, so that the actual expenses for State and other objects appear to have been less in the last than for the first financial period.

The indebtedness of the State is limited by the Constitution to $250,000, except in cases of rebellion or invasion. When the war commenced the amount outstanding was $200,000. It is now $622,295 75, constituted as follows:

Iowa 7 per cent. bonds, payable in New York, January 1, 1868, issued under chapter 7, acts of 1858	$200,000 00
Bonds sold under Chapter 16, acts of Extra Session 1861, for War and Defence Fund	200,000 00
One bond to the School Fund, dated November 12, 1864, payable at pleasure	122,295 75
Total State debt	$522,295 7

The resources of the State for the financial period 1866 and 1867 are stated in the following table:

Balance of revenue in State Treasury	$25,087 68
Balance of State revenue due from counties	286,172 68
Balance of Insane Hospital dues, from counties	53,570 50
Due from Council Bluff Bank	1,052 78
Tax of 1865 for the service of 1866	490,126 83
Tax of 1866 for the service of 1867 (estimated)	450,000 00
Balance of federal tax due from counties	34,992 19
Railroad tax (estimated) for 1866 and 1867	80,000 00
Balance due from U. S. Government (estimated)	300,000 00
Total resources for period	1,611,002 87

Not more than one-half of the above amount will be needed for ordinary expenses so that the balance, when collected, will more than cover the whole state debt. This debt is less than one dollar to each inhabitant of the State and in relation to the taxable value of property is so insignificant that a tax of three mills upon the total assessment would pay the entire amount.

The statements given above are compiled from the Auditor's Reports, which contain also the details of the School Fund and a full review of the financial affairs of the State. It is not our purpose, however, to enlarge upon this subject, the above being sufficient to show the status of this young and flourishing commonwealth, lightly burdened and singularly free from vexatious taxes, and which has no impediment to interrupt its future. Already there are a thousand miles of railroad in the State and these avenues for locomotion are being daily increased giving access to the whole surface of a rich agricultural region and ensuring its rapid development.

ANALYSES OF RAILROAD REPORTS. No. 15.

OGDENSBURG AND LAKE CHAMPLAIN RAILROAD.

(*Formerly* Northern Railroad.)

This line of railroad, stretching across the northern portion of the State of New York from Ogdensburg to Rouse's Point, forms a connection between the railroads of Canada and those of New England. The following are it sconstituents:

Main line—Ogdensburg to Rouse's Point			118·00 miles
Branch line—Summit to Gravel Beds	1·25		"
" Champlain to River Landing	1 75		"
" Potsdam to Lumber Mill	1·00—	4·00	"
Total length of main and branch lines		122·00	"
Second track and sidings		18·00	"
Equivalent single track		140·00	"

This road connects at Rouse's Point with the Montreal and Champlain and the Vermont Central and Canada railroads; at Moore's Junction with the Montreal and New York Railroad; at Potsdam Junction with the Rome, Watertown and Ogdensburg Railroad, and at Ogdensburg,

by ferry, with the Grand Trunk and the Ottawa and Prescott railroads of Canada.

EQUIPMENT—ENGINES AND CARS.

The number of engines and cars owned by the Company on the 30th of September, yearly, has been as follows:

	'56.	'57.	'58.	'59.	'60.	'61.	'62.	'63.	'64.	'65.
Engines	27	28	28	28	28	28	28	25	25	26
Cars—Passenger	16	8	8	14	14	14	14	14	15	17
" Baggage, mail, &c	9	9	9	10	10	9	9	9	7	8
" Freight	615	615	608	568	568	441	441	441	441	353
Total cars	640	632	625	592	592	464	464	464	463	378

—all rated as eight-wheel cars.

OPERATIONS ON THE LINE YEARLY.

The tabulation which follows exhibits the mileage of engines hauling trains, the number of passengers and tons of freight carried, and the passenger and freight mileage for the ten years ending Sept. 30, 1865:

Fiscal Years.	Engine mileage.		Passengers.		Freight (tons).	
	Passenger.	Freight.	Number.	Mileage.	Number.	Mileage.
1855-56	105,890	201,240	73,160	3,314,647	160,338	14,604,687
1856-57	131,920	222,429	82,320	3,859,874	177,528	16,242,825
1857-58	100,248	211,156	71,764	2,707,920	150,432	13,210,357
1858-59	146,971	200,829	73,184	2,778,677	137,427	11,477,361
1859-60	155,366	239,762	79,668	3,228,596	166,675	15,611,653
1860-61	125,028	233,432	67,756	2,674,727	166,530	15,759,949
1861-62	87,165	254,539	69,787	3,089,553	187,647	19,157,715
1862-63	110,372	301,027	92,402	3,734,311	211,024	19,815,427
1863-64	152,246	306,065	141,680	5,846,234	230,201	21,154,364
1864-65	124,872	275,048	147,500	5,498,317	203,781	18,834,478

EARNINGS AND EXPENSE ACCOUNT.

The current earnings and expenses for the same years are shown in the following statements:

Fiscal years.	Gross Earnings.				Operating expenses.	Earnings less exp.
	Pass'gers.	Freight.	Other.	Total.		
1855-56	$93,813	$343,857	$40,008	$477,677	$340,388	$136,794
1856-57	89,982	362,999	54,463	507,424	344,031	163,393
1857-58	71,599	323,866	15,342	410,807	294,827	115,980
1858-59	74,961	392,736	15,235	382,932	320,822	62,110
1859-60	77,967	362,597	18,948	458,912	341,859	117,053
1860-61	69,366	318,434	17,847	425, 87	338,132	87,505
1861-62	77,569	392,364	22,500	492,433	305,004	187,429
1862-63	100,206	454,178	19,128	573,512	377,594	195,918
1863-64	159,565	547,444	19,335	726,344	494 201	232,140
1864-65	178,116	508,297	21,108	707,521	649,982	57,539

The following reduced from the above shows the average earnings per mile (cents) for passengers and tonnage:

	'56.	'57.	'58.	59.	'6'.	'61.	62.	'63.	'64	'65.
Passenger	2.83	2.33	2.22	2.70	2.40	2.22	2.51	2.68	2.73	3.22
Freight	2.35	2.23	2.45	2.55	2.32	2.31	2.05	2.29	2.59	2.70

—earned at a cost as follows, viz.:

Passenger	2.92	2.15	2.64	3.07	2 98	3.41	2.41	3.29	1.26	3.47
Freight	1.67	1.61	1.68	2.05	1.58	1.53	1.20	1.29	1.66	2.46

These figures show that the road has been constantly loosing on its passenger traffic and that even its freight traffic has been con-

ducted without adequate profit. The result has been that the Company has not been able to pay interest on any but the first mortgage bonds since April, 1854. No dividend has been declared in the whole history of the Company.

STOCK, BONDS, &C—COST OF PROPERTY.

The following statement shows the amount of stock, bonds, &c., and the cost of the road and its equipments yearly for the ten years ending September 30, 1845:

Years. Sept. 30	Capital stock.	1st mort. bonds.	2d mort. bonds.	Floating debt.	Total capital.	Cost of property.
1856	$1,770,188	$1,496,900	$3,077,000	$317,484	$6,661,522	$4,734,795
1857	.....	1,494,900	3,077,000	.....	4,571,900	4,741,487
1858	.....	1,494,900	3,077,000	.....	4,571,900	4,788,791
1859	.....	1,494,900	3,077,000	.....	4,571,900	4,799,287
1860	.....	1,494,900	3,077,000	.....	4,571,900	4,809,856
1861	.....	1,494,900	3,077,000	.....	4,571,900	4,816,751
1862	.....	1,494,900	3,077,000	.....	4,571,900	4,819,979
1863	.....	1,494,900	3,077,000	.....	4,571,900	4,588,509
1864	.....	1,494,900	3,077,000	.....	4,571,900	4,644,056
1865	3,677,000	1,494,900	.....	.....	4,571,900	4,681,624

As before stated the Company had failed on their 2d mortgage since April, 1854. On the 21st October, 1856, the property was sold on foreclosure of this mortgage and was bid in by the trustees for the benefit of those they represented. The sale was made subject to the 1st mortgage for $1,500,000. The original capital was thus wiped out, as also the floating debt, and for the succeeding years until August 1st, 1865, the property rested on the bonded indebtedness, the trustees under the 2d mortgage managing affairs. At the last-named date the road with its equipments was by an order from the Supreme Court and by agreement of parties, transferred from the trustees aforesaid to a new Company styled the Ogdensburg & Lake Champlain Railroad Company, an organization created by the law of the State, passed April 8, 1864. The cost of the property as appearing in the table does not include interest paid to stock-holders and discount on bonds during construction ($758,021); nor after 1862, several large items which had heretofore had a place, together amounting to $241,738.

RECAPITULATIONS AND DEDUCTIONS.

In the following table are recapitulated the cost of the road, the gross earnings and expenses, and the earnings after expenses, yearly, for the last ten years:

Fiscal Year.	Cost of Road, &c.	Gross Earnings.	Operating Expenses.	Earnings l's expen's
1855-56	$4,734,795	$477,677	$340,883	$136,794
1856-57	4,741,487	507,424	344,031	163,393
1857-58	4,788,791	410,807	294,827	115,980
1858-59	4,799,287	382,934	320,822	62,110
1859-60	4,809,856	458,912	341,859	117,053
1860-61	4,816,751	425,637	338,137	87,505
1861-62	4,819,979	492,433	305,004	187,429
1862-63	4,588,509	573,512	377,594	195,918
1863-64	4,644,056	726,344	494,204	232,140
1864-65	4,681,624	707,521	649,932	57,589

The cost of the road (as stated in the reports), the gross earnings, expenses, &c., per mile of road (118 miles), the rate of expenses to earn-

ings, and the rate of net earnings to the bonded debt ($4,571,900) are shown in the following table:

Fiscal Years.	Amount per mile— Cost of road &c.	Gross earnings.	Operating expenses.	Ern'gs less expenses.	Expenses to earn'gs.	Net earn'gs to bn'd dbt.
1855-56	$40,135	$4,048	$2,888	$1,160	71.34	2.99
1856-57	40,182	4,300	2,915	1,385	68.02	3.57
1857-58	40,583	3,461	2,498	1,983	71.76	2.53
1858-59	40,672	3,245	2,719	526	83.79	1.35
1859-60	40,761	3,889	2,897	992	74.46	2.56
1860-61	40,820	3,607	2,865	742	79.43	1.91
1861-62	40,847	4,173	2,585	1,588	61.94	4.10
1862-63	38,866	4,660	3,200	1,660	65.84	4.28
1863-64	39,356	6,155	4,188	1,967	68.04	5.07
1864-65	39,074	5,996	5,592	404	93.26	1.26

PROPOSED REDUCTION OF TAXATION.

It is stated, with how much truth we do not know, that the Revenue Commissioners appointed by the Secretary of the Treasury will recommend to the next session of Congress further reductions in our internal tax list, and a corresponding decrease in our tariff duties. These reports are received in business circles with evident gratification, showing how important the measure is regarded. All classes appear to be anxious that Congress should take up the subject without delay, and act upon it in a manner calculated to meet the necessities of the country.

It is evident that legitimate business is languishing at the present time, very many departments of industry failing to be remunerative. There are several causes for this; chief among them, however, is, we believe, the burden of taxation which we are now laboring under, resulting as it does in high prices and restricted consumption. It is customary to impute the present increase in the cost of living to an inflated currency. We would by no means underestimate the influence of this agency to derange values; but, at the same time, while we are intent on curing this evil, we should remember that even a resumption of specie payments would not bring rates back to the standard of 1860.

The impolicy of unnecessary taxation is apparent in many ways. All know that high prices are a positive evil. They compel the consumers to limit their supplies; and this, of course, reacts adversely on production. With less production, there is necessarily less wealth; and, with that, less ability to pay taxes. A Government that succeeds in teaching its people to dispense with articles not of absolute necessity has weakened private energy and deprived itself of the ability to resist oppression. It has only created the Indian's standard of wealth, "while white men have labored and made many things that are useful and convenient, we, Indians, have learned not to want them." A statesman of a civilized country would hardly wish to bring about such a state of things; and yet this is what our heavy burden of taxation must necessarily produce.

We are perfectly conscious that the requirements of the war and the debt that war has left have been the occasion and necessity for an enormous revenue. The two and a half to three thousand millions of dollars which we owe must be provided for principal and interest. No good citizen is willing to impair the public credit. But it is not necessary for this pur-

pose to pay the debt at a period so brief as to overstrain the capacity of our people. We have expended our energy and treasure to carry on the war, and it is not wise to hasten the liquidation of the debt, before we shall have had opportunity to recuperate. Yet, it appears to us, that this is precisely what our present Revenue System is doing. For the fiscal year ending on the 30th of June last, the receipts into the Federal Treasury amounted to more than $556,000,000, as follows; customs, $179,046,-630 64; sale of lands, $665,031 03; direct tax, $1,974,754 12: internal revenue, $309,226,812 81; miscellaneous sources, $65,125,966 46. It has been computed that they will, at the present rates, amount for the current fiscal year to about $650,000,000. Such an extraordinary sum drawn from the productive industry of the country close upon its exhaustion from war, must, if persisted in for a long period, seriously check if not arrest its prosperity. Certainly it ought not to be done unless the necessity for it shall be imperative.

This, we are happy to say, is not the case. The civil and foreign service of the country requires only an expenditure of about forty millions of dollars. The War Department will require an equal amount, and the Navy perhaps as much more. The pension and other charges will be about twenty millions in round numbers. The interest on the public debt will not exceed one hundred and forty millions, making two hundred and eighty million dollars in all. If, then, to this we add a sinking fund of only $20,000,000 annually, we would have sufficient to pay all the yearly charges against the government and be able to liquidate the whole amount of the debt in the lifetime of a generation.

It is practicable, therefore, for Congress to reduce the aggregate of our taxes to three-fifths, if not one half, their present volume, and still maintain the public credit and meet honorably all engagements. Whatever amount is raised more than is necessary for these purposes is extortionate, and must bear upon the taxpayer with undue severity. Instead of building up the industries of the country, it wrests from the producer the very means of subsisting himself and paying any tax whatever. The agriculturist disposing of his land to liquidate his debts, instead of occupying it and providing for them with the income, is no inapt picture of a Government prosecuting such a policy. Let there be delay till our people shall have begun to prosper again, and then we shall be able to repay all with ease.

No legislation can be more popular; but the reductions must be made with care. The ruling principle should be to retain direct taxes and to remit indirect taxes. We notice the suggestion to modify the rate of the income tax by reducing it to three per cent., and exempting all incomes less than $1,000 a year. This, we think, is not sound policy. No tax is collected so economically as this, and with so little injury to the taxpayer. It is the body of indirect taxes that are especially productive of evil. They cost the Government, in many cases more than the amount of the tax to collect them, and they are the excuse for saddling a still larger burden by the producer upon the consumer. The manufacturer who pays three per cent. to the Government will charge his customers ten per cent. to reimburse himself.

Then, again, another principle which should govern, is the relieving from taxation of all our productions. We cannot compete with other countries,

when we put burdens on the producer that the foreigner does not labor under. Thus, in taxing manufactures, we are shutting out our manufacturer from foreign markets. In taxing cotton we are putting a premium on foreign production, which, under this stimulus, and the present difficulties our own planters experience, bids fair to seriously cripple the planting interest.

But we have not space at present to note special cases of hardship. Every consideration of sound political economy dictates that the tax burden should be at once diminished, and so divided as to render it as easy as possible to carry. We are at this moment the most heavily taxed of any people; and our patience, so exemplary and deserving, should not be overborne. We acknowledge, we insist on the importance and imperative duty of maintaining the faith of the nation. But we do not lose sight of the fact that the debt was created in the first instance because it was supposed to be impossible to raise immediately by tax the amounts of money required. For the like reason the same principle should be applied in the matter of its payment. The liquidation should by no means be so accelerated as to operate prejudicially to the enterprise and best interests of the people. Give time to recover from the shock and depression occasioned by the war, and then there will be greater ability to endure taxation.

THE WOOL TRADE UNDER THE NEW TARIFF REGULATIONS.

Few things are illustrated so plainly in the history of governments as the impotence of legislation to control commerce and to regulate prices. Yet, strange to say, there are few results to which our recent legislation has been so largely directed. During the last five years we have had numerous efforts made to regulate the price of gold, and no less than four important changes in the tariff, designed to enhance the prices of foreign products, in favor of the home producer. The heavy duties imposed upon foreign woolen fabrics, under the tariff of 1864, excited a certain feeling of jealousy among the wool growers, who argued that the producer of raw material should be "protected" equally with the manufacturer. The question of enhancing the duties upon wool was freely agitated, and after a severe struggle, Congress at its last session was induced to adopt a measure which, though not ostensibly intended for the wool growers, yet really had the effect of increasing the duties upon imported wools from twenty-five to thirty per cent:

Our readers may remember that, in anticipation of this legislation, we showed that the highest prices for domestic wools had prevailed under the lowest tariffs, and that with each successive advance of duty American wool had declined in value, thereupon affirming that antecedents were against the supposition that wool-growers would be benefitted by the proposed legislation. In our remarks, at the time referred to, we stated that "The wool-grower is obviously interested in supplying the manufacturer with raw material at rates which will enable him to compete with foreign fabricants; for, without that condition, domestic manufactures must droop, and the demand for home wool be curtailed and its value reduced. This proposed tariff, however, is an attempt to increase the price of wools

about twenty-five per cent. It is unnecessary to inquire what would be the effect of such a rise in raw material, for *it is capable of demonstration that no such advance can really be permanently established. The course of prices under past tariffs proves that the duties upon foreign wools are powerless in regulating prices.* The tariff of 1846 imposed a duty of thirty per cent., *ad valorem*, upon wool costing eighteen cents per pound or under. In 1857 that class of wools was made duty free; and in 1861 the duty upon that grade was fixed at five per cent., *ad valorem*, and so remained until 1864. The course of prices after the change of duty from thirty per cent. to five per cent. is illustrated by the following comparison showing the average prices of Ohio, Mestiza, Cuba and Mexican wools, for the two years 1855 and 1856, and for the two years 1862 and 1863, when the lower duty was in force, the prices being given for the latter years in gold:

	Ohio f. bl. fleece. cents.	Mestiza No. 1, cents.	Cape, unwashed, cents.	Mex. med. washed, cents.
Average 1855-56	45 @47½	16½@19½	29½@32	19½@22½
do 1862-63	48½@51½	19 @21½	22½@23	22½@25½
Advance	3½@ 3½	2½@ 2½	7½@ 4	3½@ 3½

"It thus appears that, under a reduction in the duty from thirty per cent. to five per cent., upon this particular grade of foreign wool, the price of the imported staple, instead of declining, so as to depreciate domestic wool, actually advanced, upon an average, about fifteen per cent., and was attended with an important rise in the home product, Ohio fleece averaging 3¼@3¾ cents higher in the years 1862–63 than in 1855–56. *Here, then, it is clearly shown that low duties upon foreign wool are more favorable than high to domestic growers.*" These remarks were made by us in February last, while the proposed change in the tariff on wool was under discussion in Congress.

We have now to test the act of last summer, by the condition of the wool market under its operation. The act provides that the value upon which duties are to be assessed shall include, in addition to the invoice price, all the costs of importation, comprising export duties, freight, insurance, commissions, &c. This, upon the wools most largely imported, is equivalent to an addition of fully twenty-five per cent. to the previously existing high duties. To have realized the expectations of the authors of this measure, the price of the leading descriptions of foreign wools should have advanced, and the value of domestic should have proportionally improved. No such result, however, has followed. As in parallel cases of the increase of duty, the value of domestic wool has fallen, while the price of foreign has not been advanced. For the purpose of indicating the value of foreign and domestic wool under the present tariff, as compared with periods anterior to its operation, we present the following quotations for wool at New York, on the 31st of October of each of the last seven years:

	1860.	1861.	1862.	1863.	1864.	1865.	1866.
Amer., Saxony fleece, ₩ lb	54-58	45-48	60-62	75-80	95-1.05	70-75	62-67
do full blood Merino	48-52	44-48	60-63	70-72	85- 91	65-70	52-58
do ¾ and ⅝ Merino	34-46	38-44	62-65	63-69	80- 90	60-65	45-50
Extra, pulled	42-46	38-40	58-60	70 72	1.00-1.05	67-70	52-57
Superfine, pulled	37-40	36-40	56-60	68-70	80. 90	65-67	47-50
No. 1, pulled	28-30	32-34	48-50	5 -55	70- 75	50-55	35-40
California, unwashed	21-32	27-32	38-47	50-52	55- 65	37-40	33-40
do common do	10 20	12-..	20-33	40-42	30- 50	20-25	20-25
do pulled	.....	.....	40-60	50-62	78-1.05	35-65	30-45
Texas, unwashed	.....	.....	.....	.....	.....	.....	27-33
S. Am. Mestiza, unwashed	16-25	16-20	25-30	30-32	50 55	32-37	32-37
do common unwashed	10-13	14-17	18-23	15-20	30- 45	18-23	18-23
S. America Cordova	21-24	21-25	35-40	38-40	65- 70	43-48	43-48

Peruvian, unwashed	.....	.....	.....	.....	47-	50	35-45	32-33
Valparaiso, unwashed	12-13	13-15	20-23	28-..	38-	42	26-27	27-30
Donskoi, washed	.....	.....	35-40	35-38	70-	75	45-50	42-45
Persian	.....	.....	35-40	30-35	38-	40	26-30	25-30
African, washed	16-28	20-30	40-50	40-45	60-1.00		35-45	35-45
do unwashed	9-18	16-20	28-35	20-35	40-	65	15-25	15-25
Mexican, unwashed	11-14	12-14	25-35	22-23	4.-	..	20-25	20-25
Smyrna, unwashed	11-18	17-18	20-28	22-23	45-	..	22-25	22-25
do washed	23-28	20-26	40-45	40-50	65-	..	35-45	35-45

We thus see that so far from the new tariff having enhanced the value of American wool, Saxony fleece is now 7a8 cents lower than a year ago; the lower qualities of Mexico, 15 cents; superfine pulled, 17 to 18 cents, and No. 1 pulled, 15 cents. Thus, on home-grown wool there is a decline of 10 to 30 per cent. So much for the anticipated effect of the new tariff in enabling home wool growers to realize a higher price for their clips. Nor has the tariff been successful in making imported wools dearer. Of the twelve classes of foreign wool above quoted, nine are selling at the same price now as on the 31st October, 1865; two are lower, and Valparaiso alone is a fraction higher, the exception in that case being attributable to the interruption of the supply by war. Could facts more strongly demonstrate the folly of attempting to benefit the wool growers by special legislation? They have had protection granted to the full extent of their demands, yet each successive grant of supposed privileges has placed their interest in a worse condition.

It is not to be overlooked that, during late months, the woolen manufacturers have suffered severe losses from an over-production of goods; which have probably induced a contraction of purchases of raw material. The amount of wool received at tide-water from opening of navigation to the 22d of October, has been only 441,600 lbs., against 488,600 lbs. for the same period of last year, and 1,016,500 lbs. for the corresponding time in 1864—a movement which would seem to indicate that wool is being held in the interior instead of coming forward for consumption. The imports of foreign wool at this port from Jan. 1st to Oct. 17th, have been 53,227 bales, compared with 47,083 bales for the same period of 1865, and 107,298 bales for the corresponding period of 1864. If it be argued that the price of domestic wool has been depressed by a failure in the demand, the same reasoning can be applied to foreign wool, especially as the foregoing figures show that there has been no offset in a diminished importation. Yet we find the price of foreign wool sustained, while domestic has declined heavily.

How is it then, it may be asked, that the recent advance in duties has allowed home wools to fall so heavily, while the imported staple has remained stationery? The change in the duties has tended, among other things, to bring about the very embarrassment in the woolen trade which is now exhibiting itself in a diminished demand for wool. The experience of the wool-growers under the new tariff adds new force to our former assertion that—"their true policy is to accord to manufacturers every facility for getting the cheapest raw material the world produces. By that course our manufactures will be extended; our enlarged purchases of raw material in foreign markets will increase the price of wool there, which will have the two-fold effect of enhancing the cost of the European fabrics brought here to compete with domestic goods, and further, of correspondingly increasing the value of home grown wools, so that both manufacturer and grower would be protected by a natural and always reliable process."

AMERICAN MANUFACTURES AND EMIGRATION.

While we are not the advocates of special legislation on the part of our Government for the purpose of planting among us particular branches of industry, especially such as are not well adapted to our country, or to the genius of our people, we cannot refrain from taking deep interest in the development of manufacturing enterprise. Perhaps there is no vocation or department of labor more essential to national greatness. We may cultivate the soil, and render it sufficiently productive to nourish the inhabitants of other countries. We may dig the precious ores in quantities ample to supply every nation; we may produce the fibre for every spindle and loom; but so long as we require from other countries the principal manufactured wares necessary to our comfort, we lack a necessary element of independence. Our commerce, which ought to be a reciprocal exchange of values created by industry, is rendered, to a large extent, an agency to place us under a form of vassalage; for the taking of the products of the soil and mine abroad for manufacture, is but an element of dependence which tends to enfeeble a nation. Such a country is liable, upon the sudden recurrence of a war, to find itself in a pitiable condition indeed, deprived as it is, to a great degree, of the means of defence.

So conscious of this have the governments been that have held countries and colonies in subjection, that it was long the practice to discourage, and even to prohibit, the people of such colonies engaging in manufactures. When Porsena conquered Rome he forbade the working of iron in that State, compelling it to depend upon the forges and furnaces of Etruria. The Phillistines, when they overrun the country of the Israelites, permitted no smith to work among them. The European nations of modern times, so far as lay in their power, carried out a like policy. The Dutch Government made manufacturing a penal offence in the colony of New Netherland; and the British Parliament enacted laws against slitting mills and other branches of industry in their American provinces. But it is unnecessary to multiply instances. It is evident that a state of dependence is not one of power.

This subject is invested with new interest by the events of the present period. Up to this time England has been able to retain her manufacturing supremacy, and the products of her looms now fill the markets of the world. Hitherto, her mills have produced at so low a price as to preclude successful competition. It was more profitable for the planter to raise cotton, and the farmer wool and breadstuffs for the manufacturing towns of England than to erect factories at home to convert the raw fibre into cloths, muslins and other articles of prime necessity. Statesmen often sought to change this condition by special legislation, not being sufficiently far-sighted to perceive that they were attempting to set aside the omnipotent laws of trade. They have always failed, of course, to take away from England her supremacy. It was not legislation which could remedy the matter, but a law higher than man could devise.

Agencies are, however, now in operation, which are almost certain to modify this condition of things, and to give our people greater importance among manufacturing nations. We place no dependence upon the remarkable declaration of Mr. Gladstone in regard to the exhaustion of the

coal beds of England. It is a contingency too remote to be taken into calculation, while science and commerce can both be pressed into service to obviate the difficulty. But there is another agency at work, more rapid in its influence and more sure to accomplish the result. We refer to the equalizing movement now going on in the emigration that is taking place at prodigious and constantly increasing rates.

The supremacy of England as a manufacturing country has been due to the cheap prices of labor. Her dense population has produced manufactured goods at rates low enough to enable the merchants to undersell Americans even in our own markets. As long as this condition could be maintained we were dependent upon that country for our supplies. But there has been a change taking place for several years. The wages of English operatives have been steadily increasing. With this improvement in their circumstances comes, naturally, the acquirement of more expensive habits. Better food has been obtained, better clothing worn; not only has the importation of breadstuffs been continued as heretofore, but other articles, like beef and the products of the dairy, have been added to the requirements of the laboring population. The European supply of these products is annually falling shorter, and the demand is at the same time increasing rapidly. This necessarily tends not only to keep up the rates of wages, but to make it necessary to increase them, and is telling upon the manufacturing enterprise of the country. Thus, while the better classes of operatives—the more skillful laborers—are swelling the multitude of emigrants that are coming weekly to the United States to better their condition, those who remain are demanding, and must receive, a large increase in their rates of wages.

The cheapness of labor has enabled England to control the enterprise of other countries. She could import cotton, wool, and other raw material for her factories, and breadstuffs for the operatives, and, by reason of the low price of work, could keep the price of manufactured goods lower than they could be afforded where labor was better remunerated. But this is impossible when a considerable increase of wages shall have taken place. Of course, we predict no immediate violent change. The influence of this movement, however, which is even now being felt, will gradually work out the result indicated, enabling our manufacturers to successfully compete in foreign markets. In all particulars, except the one of labor, our advantages have ever been greatly superior. We produce the raw material for most classes of manufacture, not only cotton and wool, but the most important metals; our country is an immense coal field; almost every State in the Union abounds with water power enough for all the mills and forges of the world, and generally running waste; we produce all the food required for laborers. With the enormous influx, then, of population, we will have the last impediment removed to successful competition with every other country.

This does not involve the necessity of reducing the price of labor as low as the rates in Europe. To be sure whenever values shall become properly adjusted, there will be important modifications in that particular. But another element in computation will exist of which our laborers will have the principal benefit. While the operatives in England require that both material and food shall be shipped to them at enormous waste of capital for transportation, our workmen will have all these supplied at

their hand from our own fields. The importance of this fact can readily be perceived.

Another important consideration is the fact that a few years will give to the United States the control of the commerce of China and the other countries of the East Indies. The Pacific Railroad when finished will, with its collateral routes, make a speedy transit from ocean to ocean; all Asia will thus be brought into communication with the United States in a period of time many days shorter than can be effected with any commercial town of Europe. We thus not only gain this eastern trade, but have the facility for easily distributing our products and manufactures in the East, giving us a transit to an extensive market, cheaper because nearer, than any other country possesses. Hence we see that emigration —this equalizing movement—must in the end necessarily work out a change which will be hastened and rendered more certain and complete by other agencies now or soon to be at work.

PRICES OF BREADSTUFFS.

The prevailing high prices for flour and grain naturally excite considerable interest, not only in commercial circles, but among all classes. In most branches of trade there is a stubborn dullness of business, which is interpreted as foreshadowing a reaction from the general high range of values; and, at such a period, it is a matter of no little consequence that the prices of breadstuffs—which have a direct bearing upon the price of labor, and therefore upon the cost of products generally—should have suddenly advanced to the present extraordinary quotations. If there be substantial grounds for the current high rates for flour and corn, there is undoubtedly reason for moderating the prevailing anticipations of a general fall in prices. It is, therefore, of the first practical consequence to the industrial interests of the country that correct views should prevail upon the question of the real value of breadstuffs.

In no previous year has the price of cereals ranged so high during the fall months as at present, not even excepting the autumn of 1864, when gold was 82@100 points above its present premium. For the purpose of illustrating the comparative prices of flour we present the following quotations at New York for the several qualities, at the close of October for seven years:

	1866.	1865.	1864.	1863.	1862.	1861.	1860
Superfine State	$10 25	$7 25	$9 75	$5 75	$5 90	$5 60	$5 25
Extra State	12 00	8 00	10 25	6 25	6 40	5 80	5 45
Extra Western	11 50	8 25	10 75	7 25	6 50	6 00	5 75
Round Hoop Ohio	12 50	8 80	11 00	7 25	7 00	6 00	5 75
St. Louis	14 00	9 25	12 25	8 00	8 00	6 50	6 25
Southern Common	13 50	10 00	11 75	6 90	6 80	6 00	5 75
Southern Extra	16 75	14 00	13 50	7 50	8 00	6 50	6 25
Price of Gold	146	146	225	145	130	....	....

It will thus be seen that the quotations for flour range from 45 to 50 per cent. above those of one year ago on all except the Southern qualities, which are 20 to 30 per cent. higher. Compared with the same date of 1863, when gold was at about the same point as now, present prices are 60 to 125 per cent. higher, "extra State" showing an advance of 95 per cent., and

"Round Hoop Ohio" 73 per cent. Reducing the currency quotations to gold, the following would represent the gold value of the latter grade of flour on 31st of October, for the past seven years:

1866	$8 56	1862	$5 38
1865	6 03	1861	6 00
1864	4 89	1860	5 75
1863	5 00		

It will be seen, from this comparison, that this particular brand of flour is now 42 per cent. higher than at the same period of any of the six last years, and 75 per cent. above the price of two years ago.

The principal conceivable conditions warranting such extraordinary prices are, either a deficient harvest, a bad condition of the wheat crop, a short supply of some other food product, or an extraordinary foreign demand. It would be difficult to show, however, that any one of these conditions has any actual influence in the present case.

It is fair to conclude, not only from the general tenor of Western reports, but also from the statistics furnished in the last report of the Commissioner of Agriculture, that the wheat crop of the country is fully up to the average in amount, and beyond the average in condition. The corn crop is universally acknowledged to be unprecedentedly large; the report of Commissioner Newton placing it at the remarkable figure of one thousand million bushels, or 65 per cent. in excess of the liberal crop of 1860. This fact is of importance in estimating the value of wheat; inasmuch as any deficiency in the latter crop is readily compensated by a substitution of corn. The large volume of grain and flour moved to market since the harvest is also against the supposition of a deficient supply. The imports of flour and grain into Buffalo by Lake and Grand Trunk Railroad, for the month of October, compare with those of the same month of the five preceding years as follows:

	Flour, bbls.	Grain, bush.	Grain, including flour, bush.
1866	270,414	7,879,424	9,231,494
1865	291,963	7,885,690	9,345,505
1864	229,048	4,731,044	5,876,284
1863	454,041	7,121,913	9,392,118
1862	390,710	9.777,654	11,731,504

In the receipts of flour at Buffalo, there is a falling off to the extent of about 22½ per cent. compared with an average of the same month for the four last years. This, however, is to some extent to be accounted for by the limitation of the receipts *via* the Grand Trunk Road, consequent upon the abrogation of the Reciprocity Treaty. The imports of grain for the month are equal to an average of the last four years. The receipts at Chicago for the expired portion of the year show a very large gain upon those for the same period of last year, as will appear from the following comarison:

	Flour, bbls.	Wheat, bush.	Corn, bush.
From January 1 to October 20, 1866	1,373,040	8,924.219	29 893,887
" " 1865	948.298	7,318.934	23,339,924
Increase	424,742	1,605,285	6,553,963

The following will show the comparative receipts of flour and grain at the ports of Milwaukee, Chicago, Toledo, Detroit and Cleveland, from Jan. 1st to Nov. 3, for 1865 and 1866:

	1866.	1865.
Flour, bbls	3,309,061	2,841,180
Wheat, bush	23,363,637	23,216,278
Corn, bush	36,496,858	26,240,226
Oats, bush	11,863,419	11,894,151
Barley, bush	1,578,130	1,457,776
Rye, bush	1,933,048	1,203,528
Totals grain	75,234,092	64,011,954
Increase flour, bbls		468,780
Increase grain, bush		11,222,138

It would certainly be difficult to discover in the foregoing statistics any evidence of a short supply of wheat or corn.

Nor can the current prices of breadstuffs be sustained upon the pretence of an unsound condition of the crops, or a failure in some other food products, calling for an increased consumption of flour. For the stormy weather in August and September which, it was feared, would injure the growing crops, was found to leave them unscathed; while the root crops are generally ample in yield and exempt from disease.

The export movement has not yet proved large enough to justify any material advance in prices. The shipments of flour to Great Britain, our chief foreign market, have been somewhat larger than last year, but the increase has been nearly compensated by a largely diminished export to the continent of Europe. We annex a statement of the exports of flour, wheat and corn, from all ports to Great Britain and the Continent, from September 1st to the dates next to the close of October:

	Flour, bbls.	Wheat, bush.	Corn, bush.
To Great Britain	21,147	716,419	2,089,832
The Continent	200	.....	172
Total 1866	21,347	716,419	2,089,904
Total 1865	14,395	305,759	1,545,797
do 1864	31,951	1,046,496	56,938
do 1863	278,997	3,256,528	239,459

Thus, the exports of flour and wheat for the last two months are seen to be less than the average for the same period of the last two years, and are quite nominal as compared with those of 1863. There is, therefore, nothing whatever in the export demand to account for the prevailing high prices. Nor does there appear to be anything in the condition of the foreign markets to justify the supposition that the demand from that source will be such as to warrant extraordinarily high prices for American breadstuffs. From the latest accounts, it appears that the deficiency of the British wheat crop is not very considerable, and the probability is that the importation into the United Kingdom will not range materially above the average. The importations, however, cannot be drawn from France to the important

extent of late years, owing to the deficiency of the French crop; and but small supplies can be expected from Prussia, the war having materially checked agriculture in that country. The chief European dependence of Great Britain, under these circumstances, must, therefore, be upon Russia, which has of late years improved the quality and increased the amount of her wheat crop. The importation from Russia during the first eight months of the current year was 4,600,396 cwts., or about 30 per cent. of the entire receipts from foreign countries. The crop in Eastern Europe appears to be excellent, and unusually large supplies from that source are anticipated. It appears probable, therefore, that the deficiency in the supplies from France and Prussia may be fully compensated by the increased amount derivable from Russia, Hungary, Gallicia, Moldavia and Wallachia. In the English markets, however, it is anticipated that the drain upon these resources will be so close as to produce a comparatively high range of prices, and hence the advance in prices since the middle of August, indicated by the following comparison of quotations:

	Aug. 25.	Oct. 20.	Advance.
English red, old.....per qr. of 8 bush.	45s to 50s	54s to 58s	7s to 8s
do new.....	48 to 52	53 to 58	5 to 6
English white, old.....	48 to 52	58 to 64	10 to 12
do new.....	50 to 54	58 to 63	8 to 9

Nor is it to be overlooked that California has recently so largely increased her surplus of wheat that the shipments thence to England are assuming important proportions. The Report on Agriculture for October estimates that the quantity available for export this year will amount to about 10,000,000 bushels. Under all these circumstances, it would appear that the necessities of Great Britain will not be such as to compel her to pay extraordianarily high prices for Western breadstuffs. And it would, therefore, result that there is nothing in the condition of the foreign markets to afford any reason for the prevailing high prices in our markets.

But, although there may be no facts to warrant the present extraordinary prices for breadstuffs, there is yet undoubtedly a cause for the advance. That reason appears to centre in a speculative mania. For reasons best known to themselves, the Western dealers are holding back their produce; and the result may be seen in the following receipts of flour and wheat at tide-water from the opening of navigation to the close of October:

	1866.	1865.	1864.
Flour, bbls.....	213,700	650,700	920,100
Wheat, bush.....	3,893,900	6,707,800	13,026,000

With such light receipts at the seaboard, and within two or three weeks of the close of navigation, it is not surprising that the idea of a short supply for the winter months should foster an extravagant speculation in this market. The course of the Western holders, however, is, we think, unwise, and, what we have already said, demonstrates that it can but result in compelling Great Britain to obtain supplies from Europe which otherwise she would have bought here at full prices, and to place our present surplus at her disposal next year at much lower values.

CANALS OF NEW YORK.*

The canals of New York for administrative purposes are divided into three divisions, viz.: the Eastern, the Middle and the Western, which are under the charge respectively of Division and Resident Engineers.

EASTERN DIVISION.

The Eastern Division embraces the Enlarged Erie Canal, from Albany to the Oneida Canal, at Higginsville, the Champlain Canal, and the Black River Canal and River improvement, as follows:

Enlarged Erie Canal	138.58		
Albany Basin	.77		
Port Schuyler and West Troy Side Cuts	.85		
Pond above Troy Dam	8.00—	4.12—	137.70
Champlain Canal	66.00		
Glen's Falls Feeder (7 m.) and Pond above	12.00—	12.00—	78.00
Black River Canal	35.33		
Black River Feeder and Pond above	12.09		
Delta Feeder	1.38—	13.47—	48.80
Black River improvement	42.50—	42.50	
Total length in miles	307.00		307.00

The other feeders and reservoirs (not navigable) are shown in the following table:

RESERVOIRS.

Names.	Surface: acres.	Average: acres.	Depth: feet.	Capacity: cubic feet.
Woodhull	1,286	1,118	18	876,550,000
North Branch	423	277	28	310,000,000
South Branch	518	372	26	421,190,000
Total	2,177	1,767	..	1,667,740,000

FEEDERS.

Mowhawk Feeder, at Rexford Flats	.39	Mohawk, south side, at Little Falls	.19
Schoharie Creek	.63	Mohawk, north side, at Little Falls	.50
Mohawk, at Rocky Rift	3.92	Mohawk, at Rome	.05
Total length in miles			5.68

The supply of water for the Eastern Division of the Erie Canal is derived from the sources named in the following table:

Sources.		Distance supplied.	Cubic feet per minute.
Champlain Canal, from Mohawk River, at Cohoes Dam		7 mile.	6,570
Mohawk River, at Rexford Flats		20 "	10,979
Schoharie Creek		25 "	6,800
Mohawk River, at Rocky Rift		27 "	10,602
Mohawk River, at Little Falls		9 "	12,643
Illion Creek	800 cubic feet		
Chenango Canal, at Utica	911 " "		
Butt's Creek, 2½ m. east of Rome	1,400 " "	48 "	16,296
Mohawk and Black Rivers, at Rome	11,786 " "		
Black River Canal, at Rome	1,294 " "		
Wood Creek, at Rome	125 " "		
Total distance and supply		136 "	63,890

* Annual Report of the State Engineer and Surveyor on the Canals of New York for the year ending September 30, 1865, prepared by Hon. William B. Taylor, with maps, &c. *Albany*, C. WENDALL, 1866. 1 vol., pp. 135.

The water supply of the Champlain Canal, from the junction with the Erie Canal to one mile north of Waterford, is from the Mohawk River, at Cohoes, five miles; thence to the crossing of the Hudson River, 1¼ mile south of Fort Miller, from the Hudson River, at Saratoga Dam, 24 miles; and from Saratoga Dam to Whitehall, the supply is from Glen's Falls Feeder and Wood Creek, 35 miles.

The supply of water for the Black River Canal is as follows: From Rome to lock No. 9 at Mohawk Aqueduct, 7 miles, from the Delta Feeder; from lock No. 9 to lock No. 34, 10 miles, from Lansing Kill Feeder; from lock No. 34 to foot of lock No. 102, from Black River Feeder, and from lock No. 102 to lock No. 109 from pond above dam at Lyons' Falls.

The water furnished by the reservoirs, drawn only in the very dry season of the year, is passed down through the natural channels of Black River and Woodhull, about 20 miles each, to the pond above the dam at head of Black River Feeder; thence the necessary quantity is taken into said feeder and passed to the summit level at Boonville. From the summit the Canal is supplied both ways. The remaining water, which is designed to supply the Erie Canal, is passed off at the south end of summit by a waste-weir into the Lansing Kill, thence into the Mohawk River, and taken into the Erie Canal by the feeder from Mohawk River at Rome.

MIDDLE DIVISION.

The Middle Division includes the enlarged Erie Canal from Higginsville to the east line of Wayne County; the Chenango; the Oneida Lake; the Oswego; the Baldwinsville; the Cayuga and Seneca, the Crooked Lake and the Chenango canals; the Oneida River Improvement; the Seneca River Towing Path, and the Cayuga Inlet, the lengths of each being as shown in the following table:

Enlarged Erie Canal		68.58	
Limestone Feeder	.80		71.93
Butternu (Orrville) Feeder	1.55		
Camillus Feeder	1.00	3.35	
Oneida Lake Canal		6.00	6.00
Oswego Canal		38.00	38.00
Cayuga and Seneca Canal		22.77	22.77
Crooked Lake Canal		8.00	8.00
Chemung Canal and Feeder		39.00	39.00
Chenango Canal		97.00	97.00
Oneida River Improvement		20.00	20.00
Seneca River Towing path		5.00	5.00
Baldwinsville Canal (purchased 1840)		1.00	1.00
Cayuga Inlet		2.00	2.00
Total length in miles		310.70	310.70

Of this length, 155.35 miles are navigable for boats of the largest class, and the remainder for smaller ones.

There are also upon this division, for the supply of water to the several canals, the following works, viz.:

Reservoirs—Erieville, Cazenovia Lake, De Ruyter, Skaneateles Lake, Madison Brook, Woodman's Pond, Leland's Pond, Bradley Brook, Eaton Brook, Hatch's Lake, and Kingsley Brook.

Feeders.—Oneida Creek, Cowassalon, Chittenango, Carpenter Brook, Jordan, and Weedsport, and the feeders connecting the several reservoirs with each other and with the canals.

WESTERN DIVISION.

The Western Division embraces the enlarged Erie Canal from the east line of Wayne County to Buffalo, together with the Genesee Valley Canal, as described in the following table:

Enlarged Erie Canal		148.50	
Genesee River Feeder at Rochester	2.25—	2.25—	150.75
Genesee Valley Canal, Rochester to Millgrove		113.50	
Dansville Branch, Shakers to Dansville	11.00		
Genesee River Feeder at Oramel	.75—	11.75—	125.25
Total length in miles	14.00—	276.00 —	276.00

The canals in this division are supplied with water from the following sources:

Erie Canal.—Lake Erie; Tonawanda Creek at Pendleton; Oak Orchard and Tonawanda Creek Feeder at Medina; Genesee Valley Canal at Rochester, and Genesee River at Rochester.

Genesee Valley Canal.—Allen's Creek at Scottsville; Genesee River near Mount Morris; Caneseraga Creek Feeder, two miles north of Dansville; Mill Creek at the head of Dansville Branch in Dansville; Wiscoy Creek Feeder; Genesee River Feeder at Oramel; Rockville Reservoir in Belfast; two branches of Black Creek on Summit; Oil Creek Reservoir on Summit, two miles north of Cuba; Champlain Creek at Cuba on Summit; Griffin Creek at Cuba on Summit; Ischua Feeder from Ischua Creek, connects with south end of Summit; Haskell Creek, near Weston's Mills; Dodge Creek at Portville, and Oswayo Creek south of Portville, all on extension, and Alleghany River, at head of Canal at Millgrove.

RECAPITULATION.

Length of Canal, &c., in Eastern Division	307.00	miles.
" " in Middle Division	310.70	"
" " in Western Division	276.00	"
Total length of Canal and River Improvement	893.70	miles.

LOCKS AND LOCKAGE—SIZE OF BOATS.

The following statement gives the length of each canal, the quantity of rise and fall in feet, the number of locks, size of chambers, and the size of prism.

Canals.	Length: miles.	Rise & fall: ft.	No. of locks.	Size of chambers.	Size of prisms.
Enlarged Erie Canal	350.50	654.80	71	110x18 feet.	70 & 56x7 feet.
Champlain Canal	66.00	179.50	20	110x18 "	50 & 35x5 "
Glens' Falls Feeder	7.00	132.00	13	100x15 "	50 & 35x5 "
Black River Canal	35.83				
" " Improvement	4.50	1,082.25	109	90x15 "	42 & 28x4 "
" " Feeders	10.50				
Oneida Lake Canal	6.00	60.25	7	90x15 "	40 & 26x4 "
Oneida River Improvement	20.00	6.25	2	120x30½ "	80 & 60x4½ "
Oswego Canal	38 00	154 50	17	110x18 "	70 & 56x7 "
Cayuga & Seneca Canal	22.77	83.50	11	90x15 "	40 & 26x4 "
Cayuga Inlet	2.00	70.64	11	110x18 "	70 & 56x7 "
Crooked Lake Canal	8.00	277.83	27	90x15 "	42 & 26x4 "
Chemung Canal	23.0	490.75	49	90x15 "	42 & 28x5 "
Feeder	16.00	40.00	4	90x15 "	41 & 26x4 "
Chenango Canal	97.00	1,015.33	116	90x15 "	40 & 28x4 "
Genesee Valley Canal	113.50	1,074.42	104	90x15 "	42 & 26x4 "
Dansville Branch	11.00	82.60.	8	90x15 "	42 & 26x4 "

Boats navigating the enlarged canals are built 97½ feet long, and 17

feet 8 inches wide; and, by resolution of the Canal Board, are restricted to a draft not exceeding six feet below the surface of the water. Their heights above water are likewise regulated, so that no part of the boat or load shall exceed 11¼ feet above the surface of the water.

Boats navigating the old canals are built 78 feet long and 14½ feet wide, and are restricted to a draft of 3½ feet below the surface of the water, no part of the load or boat being allowed to exceed 9 feet above the surface.

The heavier built boats on the Erie canal weigh 75 tons, and the boat and cargo of the largest class 290 tons. The scow boats on the Genesee Valley and other non-enlarged canals weigh about 30 tons, and the boat and cargo some 110 tons.

AUTHORIZATION, COMMENCEMENT AND COMPLETION.

In the following table will be found the dates of the authorizing acts, the dates of commencing and completing each work, and the cost as estimated by the engineers, and the actual cost, with the average annual cost of repairs per mile:

Canals, &c.	Dates—Author-ized.	Com-menced.	Com-pleted.	Cost of Constr'tion—Esti-mated.	Ac-tual.	Av. an'l c'st of re-pa's p.m.
Erie, (old)	April 15, 1817	July 4, 1817	Oct. 26, 1825	$4,926,738	$7,143,789	$725
do (enlarged)	May 11, 1835	Aug, 1836	Septem. 1863	23,402,563	32,008,851	400
Champla'e & F.	April 15, 1817	July, 1817	 1822	.....	1,746,662	650
Black Riv. Can'l	April 19, 1836	Jan., 1838	 1849	.....	3,157,296	255
Oneida Lake C'l	Mar. 22, 1832	.....	 1835	40,000	purchased.	502
do Riv. Imp	April 29, 1839	.....	 1850	100,049	50,000	110
Oswego (old)...	April 20, 1825	.....	Dec. 10, 1828	227,000	565,437	610
do (enlarged)	April 15, 1854	.....	Septem. 1862	1,926,339	2,511,992	525
Cayuga & Sen'a.	April 20, 1825	.....	Nov. 15, 1828	150,000	214,000	660
Cayuga Inlet	May 25, 1836	.....	Septem. 1862	811,188	1,133,149	540
Crooked Lake C	April 11, 1829	April, 1830	Oct. 10, 1833	119,198	156,776	720
Chemung & F.	April 15, 1829	.....	Septem. 1831	331,224	314,395	...
Chenango Can'l	Feb. 23, 1833	July, 1834	October, 1836	1,960,456	2,316,186	270
Genes. V. C. &c	May 6, 1836	.....	Decemb. 1861	2,002,285	5,663,183	390

The Genesee Valley Canal was completed to Dansville November 1, 1842; to Olean, November 1, 1856; and to Millgrove Pond, December, 1861. The Champlain Canal, between Fort Edward and the Lake, was opened November 24, 1819, and the whole completed as above in 1822.

TOLLS RECEIVED AND COST OF REPAIRS.

The total amount of tolls received on all the canals from 1821 to the close of 1865 has been $93,943,120
Cost of repairs, 181-665 21,035,519

Tolls, 1821-65, less cost of repairs $72,907,603

The amount of tolls received and the cost of repairs annually for the twenty years ending September 30, 1865, are shown in the annexed summary table:

Fiscal year.	Amount of tolls.	Cost of repairs.	Fiscal year.	Amount of tolls.	Cost of repairs.
1846	$2,788,134	$509,511	1856	$2,719,926	$606,932
1847	3,460,976	493,157	1857	2,629,366	762,043
1848	3,153,614	687,793	1858	2,045,443	890,942
1849	3,377,784	528,371	1859	1,812,281	629,600
1850	3,390,477	560,846	1860	2,379,534	378,286
1851	2,702,070	682,599	1861	3,353,169	367,666
1852	3,173,222	809,452	1862	4,790,518	428,089
1853	3,161,425	778,847	1863	5,028,431	520,971
1854	2,980,140	969,398	1864	4,303,781	812,813
1855	2,631,491	805,655	1865	3,516,949	1,595,672
1846-55	$30,839,333	$6,825,629	1856-65	$32,479,398	$6,992,954

This shows the average rate of cost of repairs to amount of tolls in the the ten years, 1846–55, was 22.13 per cent., and in the ten years, 1856–65, only 21.53 per cent. The ratio for the last decade would have been much lower but for the extraordinary expenses in 1865 to repair the damages done by the spring freshets.

COLLISION AT SEA.

Collisions between steam vessels have lately been of frequent occurrence, as well as attended by fatal and disastrous consequences, demonstrating either the existence of grave defects in our maritime code, or gross dereliction of duty on the part of these in charge of these vessels. In some of these instances the culpability has been fixed, but in others the responsibility remains undetermined. It is of the highest importance that the official regulations for the prevention of collisions with steamers should be efficient beyond all bounds of doubt. That there is, however, a prevailing belief that the code of directions is imperfect, is evident from the opinions of several eminent nautical men, and may justify the publication of the views of one whose nearly half-a-century's nautical experience entitles him to treat on this subject. We refer to Mr. E. C. Rutter, a retired officer of her Majesty's Postal Packet Service, now residing at Dover, who not only points out the defects in our maritime code, but suggests modified regulations by which he contends collisions may always be avoided, and he adduces as evidence of their practical value his successful working of the system for more than thirty years in the navigation of the narrowest and most crowded part of the British Channel. His suggestions have also found favor with several naval officers and members of Parliament to whom they have been explained, and they have undertaken to bring the matter before the Board of Trade, the marine authorities of which will doubtless investigate them, with the view, if they are found practicable, to their official promulgation.

Mr. Rutter states, that of six "situations" of steamers set forth in the Admiralty directions (1847), only the last one provides a correct and safe rule for preventing collisions, viz.: "that when two steamers meet end on to each other, both are to put their helms to port." No. 1 gives directions to one vessel only, and that to lead to collision when the vessels are near, and to incur risk when much apart. No. 2 represents two vessels at right angles, already safe, being half across each other, but makes no rules for their courses being right-angled instead of their hulls, which is a position of danger. Nos. 3 and 4 represents vessels approaching each other in direct opposite but parallel courses, where the vessel would pass each other if continued so, but omits to provide for the contingency of their being transverse, which is not indicated by the side lights that are of the same color in both vessels in either of these cases. If the latter happened, it would be likely to cause accident by one vessel crossing the other, and therefore a rule ought to be provided for both commanders to act by, though none is given, it being merely stated that the vessels are passing each other to starboard or to port, because the side lights are of corresponding colors to each other. No. 5 represents two vessels approaching each other on oblique courses, but gives

a rule to one commander only, and that, too, for him to put his helm the very way most likely to produce collision; while no direction is given to the other commander, who is left to chance, in what is often a critical emergency, requiring correct and prompt action in both officers.

The object wanted for the security of lives and property is that both officers of steam vessels meeting each other in the night should have a rule of action prescribed and known by both, so that each might know with certainty how the other was going to put his helm, so as to act himself with confidence accordingly. Mr. Rutter has drawn a set of seven diagrams, which he says comprises every possible case of contingent difficulty between steamers, and from these he deduces four clear and safe practical rules for universal guidance in all cases.

The first case to be provided against is two vessels coming end on to each other on the same line of track, when each will see the three lights in a triangular form on board the other, in which by both putting their helms to port they will pass on the portside of each other.

The next case is when coming in opposite directions, but in different and parallel lines of track, in which position each will see only one side-light of the other, but both will be of the same color. In this case both vessels must go clear of each other while their lights are kept of the same color, the only danger being in altering the helms, for if one put to starboard and the other to port a collision would be inevitable.

The third case is when two vessels are steering across at right angles, or directly athwart each other, but showing themselves ahead, in which position the relative lights will be of different colors; that they are approaching in a right angle direction will be manifested by rapidly changing the bearing of each other's lights; for, as the direction one is coming in having no relation to the speed of the other, in consequence of its point-blank progress towards the other's broadside, it seems like a fixed light to the other, whose speed alone causes the rapid alteration of the bearing; consequently, if an officer sees another steamer's lights thus rapidly altering when not more than two points before the beam, he knows she will quickly be abaft it, and there is no danger of collision. He could, however, bring the light abaft the beam immediately by putting his helm the opposite way to the other vessel's light. The principal danger begins in proportion as an opposite vessel's light bears more than two points before the beam, except when about two points from right ahead, because the rapid change of bearing is produced by the speed of the other vessel, which will as quicly cross the bow as she would be abaft in the former case; only in this instance a change of helm would be highly dangerous, for the officer must point right at the other vessel before he could get under his stern, and unless he had considerable space to do it in, collision would be certain. In all cases of such bearing, the only safe and sure way is for both to put their helms hard over opposite ways, as indicated by opposite lights, and to stop their engines, or at least, to have only sufficient way to draw their heads round till their broadsides come abreast of each other, which precaution is especially necessary when the vessels are in close proximity. The vessels must be very close for a collision to happen at all; but, even if it did occur, the vessels thus coming in contact sideways the collision could not be a serious one.

The last case is of two vessels approaching in oblique directions, either of obtuse or acute angles differing from a right angle: the course will then represent two sides of an angle rapidly converging toward apex or collision if obtuse, and gradually so if acute. In this the same rule applies as in that of the right-angled one, viz.: that, as different colored lights indicate transverse courses, putting the helms opposite ways, as guided by the contrary colored lights, must avoid collision, because both vessels combining in turning their heads from each other, a double effect is produced in the steerage.

From the above Mr. Rutter deduces two plain and certain rules which he believes quite as infallible as the one laid down by the Trinity Board against two vessels coming stern on to each other, and might be equally efficacious to prevent collisions if promulgated by official authority.

NEW ORLEANS AND HER MATERIAL INTERESTS.

We take the following from the New Orleans *Price Current* of the 7th Nov.—In an article on the trade of "New Orleans and the Great West," which was published in our issue of the 3d of February, 1865, we referred particularly to the importance of establishing lines of tug-boats, which, owing to their smaller cost and greater capacity for transporting freight, would enable us to compete more effectually with the lines of railroad running east. At the time we wrote the article referred to, we hardly expected that the tow-boat system which we had so highly recommended would be so soon adopted; for only a short time, comparatively speaking, had elapsed before one of this new class of boats, with many freight barges in tow, reached our levee. This one was followed by others of the same class, and the result is that a regular line is now established between here and St. Louis under the name of the "Mississippi Valley Transportation Company." These tow-boats are capable of transporting in barges, in tow, from two thousand to three thousand tons of produce down stream at a trip, and from six to nine hundred tons up stream, according to the stage of the river, and at rates of freight much lower than those usually charged by the costly constructed passenger boats. The success which has attended the starting of this line has, we are glad to say, encouraged others to embark in the business. In a short time there will be a line in operation between Cincinnati and this port which will be styled the "Ohio Valley Transportation Company." For these additional facilities for increasing the commerce of our city we are, it is true, indebted to the enterprise of others, who are, of course, to be the greatest gainers; but, as we failed to take the lead, either from lack of energy or means, we have no right to complain. It is not too late, however, for us to enter the lists of competition, for the field is a wide one; but it will be necessary not only to build boats and ships, but railroads also, if we wish to retain anything like a fair proportion of the Western or even the Southwestern trade. Our reliance on the advantages of our natural position has already lost an immense amount of business which was once ours, and which it will be difficult to recover again. Already lines of steamers have been placed on Red River, the Arkansas and White Rivers, and in the Memphis trade, by our competitors in St. Louis, Cincinnati and other Western cities, and if we expect

even to share with them hereafter, we must no longer remain inactive. Besides the competition of these lines of Western boats, we have further to contend with numerous and efficient lines of railroads, and these, notwithstanding that New Orleans is the natural outlet for the produce of the Southwest, will every year draw largely from the trade of the lower Valley of the Mississippi. This we may as well make up our minds to expect; and yet, in fact, it should afford no real cause of discouragement to those interested in building up the trade of our city, if they will view the subject calmly and go to work in earnest. Whatever may happen, we will always be sure of a considerable portion of the trade of the whole Mississippi Valley, and this, with the trade of the extensive and prolific region of country west of us, the trade of which can be ours with but comparatively little effort, and despite of all opposition, if we are true to ourselves, will always assure us a fair share of prosperity. The important question is, have our people got sufficient foresight, and energy, to avail themselves of the wonderful opportunities which are open to them for adding to their own wealth, and increasing at the same time, the material prosperity of our city. If we should judge from the little public spirit which has been manifested heretofore, when it was proposed to build railroads leading from the city into the interior, and particularly in a direction to secure the Texas trade, we must confess that we would feel much discouraged; but we trust that a different feeling prevails now, and that our large property holders in particular, who are really the ones to be most benefitted, will no longer hold back, but, on the contrary, be the leaders in every movement that is calculated to promote the general welfare. Let them, as a beginning, have the short gap between the Opelousas road and the Sabine completed in a brief space of them, so that we will have railroad communication with Houston and the several roads leading from there further into the interior of Texas. This accomplished, let the next move be to extend a road into Northwestern Texas which is not only a cotton, but also a superior grain and stock raising region. By the building of these roads our trade with Texas would be increased even at the present time to a very large extent, and before the lapse of many years our business would grow to an almost incalculable amount.

THE SUEZ CANAL.

A letter from Alexandria of the 6th of October, says: "The cutting of the maritime canal of Suez, in the section from Suez to Chalouf, which was the last commenced, is being carried on with great activity. This section is divided into three parts—one that of the quarantine at Suez, the other in the plain of Suez at a distance of four miles, and that of Chalouf, ten miles distant. The number of cubic metres (the metre is about 3 feet 3¼ inches) to be removed in these different points of the canal is 15,907,246. Since the commencement of the works 202,542 cubic metres have been extracted. There consequently remain to remove 15,704,704 metres cube. The number of laborers employed on the whole line is 2,200, of whom 1,500 are at Chalouf, 350 in the plain of Suez, 350 at the quarantine. The extraction is made at Chalouf by means of several inclined planes

with locomotives, which present the advantage of greatly assisting labor. Eighty miners and 200 laborers are occupied in blowing up the rock, which in this place is in the line of the canal, and of which the volume is 24,393 cubic metres. At the present moment 13,856 metres have been removed, so that there remain 10,539. The average monthly work done on this rock being 2,100 cubic metres, five months will still be necessary before it is completely finished. The earth-works in this place are, so to speak, insignificant compared with the rock; they amount to 113,566 cubic metres, of which 87,915 have already been taken away. For some time past the recruiting of Arab laborers has been made with facility, and the engineers have succeeded in inducing them to use wheel-barrows instead of couffins, which are much more convenient. If no obstacle should arise to disturb the recruiting, the preparatory works may be finished before the period originally fixed. The works of the Quarantine, and those of the Plain de Suez, consist in cutting two parallel trenches, which will give access to the first dredging machines. These trenches are 20 metres wide and nearly 90 centimetres deep, and are designated as Trench of Asia and Trench of Africa. At the Quarantine these trenches are 4,100 metres in length, and the banks of the Maritime Canal are thus indicated for all this length, with a trench on each side to receive the dredging machines. In the Plain of Suez the Trench of Africa is executed to a length of 2,400 metres, and that of Asia of 1,400. Certain modifications have recently been made in the line to be followed in the environs of Suez. A mass of rock, of 300,000 metres cube, instead of being cut through, is to be turned, and this will constitute a saving of about 10,000,000f. (£400,000) in the original estimate. By a recent decision of the directors, the width of the canal is to be 102 metres in those parts in which it lies below high water."

A NEW TEXTILE.

The last discovery which comes to us from Nevada is agricultural rather than mineral, but very important. It is of a new textile, such as was eagerly sought when the rebellion broke out, but unsuccessfully. The plant now discovered has its home in the Humboldt Valley, where it grows in large quantities, and can, of course, be made to grow more thriftily by cultivation, while if it has the values which are ascribed to it, it will soon be removed to other fields and propagated among regular crops.

The plant is said by the discoverers to be superior to any textile now in use. Though styled hemp, it is so called on account of its closer similarity to that than any other growth. It has a stronger and finer fibre than the proper hemp, and a much longer staple. In proportion to the wood, too, the fibre is much more abundant. It can be more easily separated than flax or hemp, and can be stripped clean from the stalk without preparation.

Nevada lies between thirty-seven degrees and forty-two degrees north. This corresponds with the lattitude of Northern California, of San Francisco, Salt Lake City, Indianapolis, Columbus, and Philadelphia. The Humboldt River, along which the new hemp grows, runs from the mountains of that name westward, through a mountainous country. If, therefore, experiment proves what is now claimed for this textile, it can be prolonged in its cultivation from its original habitat to our own doors, and will enhance the value of the hemp harvest in those States where it is now an important feature.—*Phila. Gazette.*

REPORT OF THE SECRETARY OF THE TREASURY FOR THE FISCAL YEAR ENDING JUNE 30, 1866.

The following is the report of Secretary McCulloch for the fiscal year ending June 30, 1866:

WASHINGTON, Thursday, Oct. 11, 1866.

The fiscal year ending on the 30th of June, 1866, was one of great material prosperity to the Treasury Department. The respective balances for the commencement and conclusion of the year were as follows:

Cash on hand June 30, 1865	$858,309 15
Cash on hand June 30, 1866	130,669,815 19
Net gain	$129,811,506 04

If the gold in the national vaults, estimated in the foregoing figures at par, were expressed in currency figures, it would show a balance on hand at the conclusion of the year of over $160,000,000.

The receipts and expenditures of the United States for the fiscal year are as follows

RECEIPTS.	
From Customs:	
Quart'r end. Sept. 30	$47,009,583 03
do do Dec. 31	39,216,338 39
do do March 31	46,645,597 83
do do June 30	46,175,151 39
Total	$179,046,630 64
From Public Lands:	
First quarter	$133,890 63
Second quarter	175,245 56
Third quarter	180,175 21
Fourth quarter	176,719 63
Total	$665,031 03
From Direct Tax:	
First quarter	$31,111 30
Second quarter	368,843 31
Third quarter	1,086,163 44
Fourth quarter	488,636 07
Total	$1,974,754 12
Internal Revenue:	
First quarter	$96,618,885 65
Second quarter	82,597,156 98
Third quarter	66,153,031 31
Fourth quarter	63,857,738 93
Total	$309,226,812 82
Miscellaneous:	
First quarter	$18,393,729 94
Second quarte	17,515,705 56
Third quarter	10,274,024 30
Fourth quarter	18,342,516 66
Total	$65,125,966 46

EXPENDITURES.	
Civil, foreign, and miscellaneous:	
First quarter	$10,571,460 99
Second quarter	9,377,332 25
Third quarter	9,248,083 17
Fourth quarter	11,853,389 55
Total	$41,049,965 96
Pensions and Indians:	
First quarter	$6,024,241 86
Second quarter	1,437,629 52
Third quarter	5,808,137 04
Fourth quarter	2,983,302 02
Total	$16,253,300 44
War:	
First quarter	$165,369,237 32
Second quarter	68,122,541 65
Third quarter	38,213,900 16
Fourth quarter	12,744,022 69
Total	$284,449,701 82
Navy:	
First quarter	$16,590,669 81
Second quarter	10,341 555 68
Third quarter	7,488,932 28
Fourth quarter	9,218,474 44
Total	$43,519,632 21
Interest:	
First quarter	$36,173,481 50
Second quarter	30,721,527 37
Third quarter	30,024,447 51
Fourth quarter	16,155,280 89
Total	$133,074,737 27

From these figures it appears that the receipts and expenditures of the year 1865-66 were as follows:

RECEIPTS.	
From customs	$179,046,630 64
From public lands	665,031 03
From direct tax	1,974,754 12
From internal revenue	309,226,812 81
From miscellaneous	65,125,966 46
Total	$556,039,195 06

EXPENDITURES.	
Civil, foreign and mis	$41,049,965 96
Pensions and Indians	16,253,300 44
War	284,449,701 82
Navy	43,519,632 21
Interest	133,074,737 27
Total	$518,347,337 70
Total receipts	556,039,195 06
Total expenditures	518,347,337 70
Excess of receipts	$37,691,857 36

But this excess of thirty-seven millions of receipts does not show the capacity of the country to pay off its debts, for it all occurred in the last few months. The war expenses of the first quarter were $165,000,000; during the last quarter they had dwindled to $12,000,000. The expenditures of the War Department during the coming year would be over $240,000,000, less than that of the past year, were it not for the Equalization Bounties Bill.

As compared with the fiscal year ending June 30, 1865, we find in the past year an increase of receipts from Internal Revenue of $100,000,000, and of customs of $95,000,000; while there has been a diminution of expenses for war of over $750,000,000, and for the Navy of $80,000,000. The year ending December 31, 1865, showed a deficiency of $619,000,000: six months after that time, the year ending June 30, 1866, showed an excess of receipts over expenditures of nearly $37,000,000.

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurers' returns in the Treasury Department, on the 1st of September, 1st of October and the 1st of November, 1866, comparatively:

DEBT BEARING COIN INTEREST.

	Sept. 1.	Oct. 1.	Nov. 1.
5 per cent. bonds	$198,091,350	$198,091,350	$198,091,350
" " of 1867 and 1868	18,323,592	18,323,592	16,083,742
" " of 1881	283,734,800	283,738,750	283,739,750
" " 5.20's	773,422,800	798,162,250	823 944,000
Navy Pension Fund	11,750,000	11,750,000	11,750,000
	$1,288,322,542	$1,310,065,94.	$1,333,558,842

DEBT BEARING CURRENCY INTEREST.

6 per cent. bonds	$8,202,000	$8,922,000	$9,683,000
Temporary Loan	45,538,0 0	22,500,000	.....
3-year Compound Interest Notes	155,512,140	155,512,140	148,512,140
3-year 7.30 notes	769,518,900	743,996,050	724,014,300
	$1 079,668,960	$930,930,190	$882,108,440

DEBT ON WHICH INTEREST HAS CEASED.

Various bonds and notes	$4,670,160	$23,302,372	$36,988,909

DEBT BEARING NO INTEREST.

United States Notes	$399,603,592	$399,165,292	$390,195,785
Fractional currency	26,433,938	27,029,273	27 588,010
Gold certificates of deposit	15,430,220	11,057,640	10,896,980
	$441,449,047	$437,252,205	$428,680 775
Aggregate debt	$2,728,314,836	$2,701,550,709	$2,681 636,966
Coin and Currency in Treasury	132,631,668	128,213,767	130,326,96
Debt, less coin and currency	$2,595,683,168	$2,573,336,941	$2,551,310,006

The following statement shows the amount of coin and currency separately at the dates in the foregoing table:

	Sept. 1.	Oct. 1.	Nov. 1.
Gold Coin	$76,333,918	$86,259,909	$99,413,013
Currency	56,297,750	41,953,858	30,913,943
Total gold coin and currency	$132,631,668	$128,213,767	$130,326,960

TREASURY DEPARTMENT.—INSTRUCTIONS TO CORRESPONDENTS.

As the regulations of the Treasury Department relative to United States securities are imperfectly understood by the public, a revision of these regulations has just been made by the Register of the Treasury. New instructions are added, and forms are furnished which will render easy the correspondence with the Department on the various subjects growing out of this now world-wide interest. The exchange, the transfer, the conversion of bonds, the payment of interest, the assignment of stocks by heirs, by executors, &c., and this in foreign countries and in various tongues, require that the rules and forms adopted for security of both holder and government should be known. We copy from it the instructions to correspondents with the Treasury office:

"Letters relating to redemption of public securities, the conversion of 7 3-10 Treasury notes, or the exchange of coupon bonds for registered certificates, should be addressed to the Secretary of the Treasury. Letters relating to the transfer of registered stock, or payment of interest on the same, should be addressed to the Register of the Treasury. The transfer books are closed for thirty days previous to the day for payment of dividends, and stockholders desiring the place of payment changed must give notice to the Register one month at least before the day of payment. When bonds are sent for transfer state where interest is to be made payable, and always inclose stock of different loans in separate letters. When specifying the different loans, or referring to the interest, name the amount of stock, and describe the loan by the date of the act of Congress authorizing it. Powers of attorney for the assignment of United States stock, and assignments, must be properly filled before transmission to the Register, as no blanks can be filled in his office. Powers of attorney to draw interest should be addressed to the First Auditor of the Treasury."

COMMERCIAL CHRONICLE AND REVIEW.

Public debt statement—Debt should not be paid too rapidly—Speculation in Wall-street—Unevenness in commercial circles—Course of gold—Treasure movement—Prices of governments—Railroad earnings, etc., etc.

The November statement of the public debt, which has just been issued, is a very satisfactory one in many respects; but it is of especial interest as bringing prominently forward the two important questions respecting it—first, its consolidation, and second, its pressure.

First, as to consolidation. The obligations of the Treasury, as the report shows, amount to 2,551 millions. Of these more than half are consolidated into long bonds, the aggregate of which is 1,343 millions. The rest consists of 417 millions of currency, not redeemable; and about 926 millions of short obligations, which are redeemable at various times, 50 millions being due on demand, 200 millions in the summer and autumn of 1867, and 526 millions in June and July of 1868. It is with these 926 millions of short-date paper that we have chiefly to deal in carrying on the work of consolidation, and the entire mass will have to be got out of the way in one year and eight months from this time. After this general survey, it is superfluous to say that an immense financial task spreads itself out before us. The amount we have to fund is greater than was ever funded in the same interval by Great Britain in the most expensive period of her wars with Napoleon; it is far greater than was ever funded in two years by any nation in the world. Could we not look back on the last year of the war, and remember that we then raised 1,800 millions, we might well be appalled

at the prospect before us. But with such past proofs of what we can do and bear, with our experience of the vast recuperative expansiveness of our resources we need have no fear as to our success in the work of providing for our maturing obligations in the next 18 or 20 months.

Second, as to the pressure of the debt on the resources of the country, this might arise from its absorbing floating capital, and thus preventing this capital from becoming productive in the industrial activity of our people. In the funding of our floating debt, however, this cannot occur, as the process involves merely the changing of the form of the obligation, and the converting of one investment into another. There are, however, other ways in which the public debt might exert an undue pressure on the capital of the country. For example, there are cases where over-taxation is resorted to to pay off a public debt. To the farmer it is impoverishment, if not ruin, to consume his seed-corn. But the active capital of any country is, as it were, the seed corn of the field of finance; it is the germ which will fructify and bring forth crops of future capital. To take from a farmer, or a manufacturer, or a merchant, by taxation, such a part of his annual returns as impairs his working capital, is to mutilate his wealth-producing faculties, and the process, if extended over an entire country, will necessarily check its growth in wealth. Thus a small aggregate of excessive taxation may in a short time destroy ten times as much capital as it brings into the Treasury. Let us not be misunderstood. We do not object to the liquidation of our debt as quickly as possible. The point on which we insist is, that it is very bad policy to tax ourselves for this purpose so heavily as to paralyse or maim our productive powers, to depress any of our great industrial interests, or to diminish the volume of any of those streams of capital which the mighty productive springs of wealth are constantly pouring into the reservoir of the national resources. From what has been said it is evident that we do not regard with much favor the extravagant predictions which are current, of our paying off the debt in one or two decades of years. We can never enrich a nation by impoverishing its individual citizens, but we can as truly diminish the pressure of a burden, when we give more strength to the shoulders that bear it, as when we lessen the burden itself. It has been well observed, that the pressure of a national debt is not to be estimated by the aggregate amount of the principal, but by the annual interest which has to be paid upon it, and by the proportion these payments bear to the aggregate incomes of the whole people. In this point of view we have always regarded the annual interest of our debt as a matter that should on no account be ever omitted. For some reason, which we are at a loss to discover, the omission has been allowed for a few months past, and it has justly given rise to some very natural public complaints.

In the report of the debt for last month, as our readers will see by consulting it, there are several particulars of a very gratifying character, such as the cancelling of nearly 16 millions of greenback and compound legal tenders, the disappearance of the temporary loan from the schedule, the emission of a new series of long bonds intended to form the nucleus of our consolidated debt, and the vigor with which the conversion of Seven-thirties into long bonds has been conducted by the financial agents of the Treasury. On these and other related topics we may have something to say hereafter. At present we will only call attention

once more to the needless enlargement of the coin balance in the Treasury. A considerable part of this gold might be disposed of with equal saving to the Treasury and advantage to the people.

The leading topic of discussion in Wall-street is the current speculation in the stock market and elsewhere, which as yet shows very few immediate signs of abatement. Its causes are still so active that we can scarcely forecast the time when the inevitable reaction will set in. Among the chief of these causes we may mention the efforts of the cliques of capitalists which control and manipulate almost all the leading securities on the list, after having bought up for that purpose a large proportion of the outstanding shares; secondly, the mischievous and morbid ease in money, which permits these cliques to raise on favorable terms the immense sums they require to carry out their projects; thirdly, the presence of a large number of outside speculators eager to purchase, consisting of men from the West, the South, and indeed from almost all parts of the country, most of whom are intent on buying stocks, in the full confidence that what is bought to-day will sell at a higher price to-morrow. At present, as the money market is tranquil and no adverse forces oppose the current of popular opinion, the tide of inflation and of advancing prices tends continually towards that culminating highest point at which the reaction will begin. The following are the rates of loans and discounts during the month:

RATES OF LOANS AND DISCOUNTS.

	Oct. 5.	Oct. 12.	Oct. 19.	Oct. 26.
Call loans	4 @ –	4 @ –	4 @ 5	4 @ 5
Loans on Bonds and Mortgage	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos	5 @ –	4½@ –	5 @ –	5 @ –
Good endorsed bills, 3 & 4 mos	5 @ 6	5 @ 6	5½@ 6	5½@ 6
" " single names	6 @ 7	6 @ 7	6 @ 7	6 @ 7
Lower grades	9 @12	9 @12	9 @12	9 @12

The most notable feature of the business of the month has been the development of a vague feeling of apprehension in mercantile circles. It would be difficult to account for this new phase of affairs upon any definite grounds. Perhaps it may be traceable chiefly to a disappointment which has certainly been experienced among merchants in the interior as to the character of the fall business. The purchases of the Western jobbers during the early part of the season were quite liberal, based upon an expectation of a good demand resulting from a plentiful harvest. They now report that the demand from the retail dealers is limited; and that owing to the high prices at which they have to offer merchandise, they find it impossible to do an average amount of business. At the same time, there are complaints of difficulty in making collections, the result of which has appeared in the interior jobbers having to request renewals of their maturing notes. The obvious explanation of these symptoms is that the high prices of goods are at last compelling a sharp curtailment of consumption. This phase of business has not been unanticipated among merchants and manufacturers. On the contrary, its appearance has been looked for with anxiety, as the period at which the inevitable test of the soundness of the present condition of affairs must be applied. They have taken the very rational view that so long as consumers would take the ordinary amount of goods at the current prices

there could be no material change in values; but have also foreseen that, so soon as the community found it necessary to economise consumption, it would be impossible, with the current large production, to sustain the present high rate of values It, therefore, is not surprising that these signs of the times should produce a certain degree of anxiety among our city merchants.

The uneasiness suggested from these causes has been heightened by the failure of a large manufacturing firm at Cohoes, involving the suspension of a well known commission house in this city, and by the suspension of two firms engaged in woolen manufacturing in New England. Owing to these circumstances October closed with a feeling of great depression in the dry goods market and also in the wool trade.

As yet, these influences have scarcely produced any tangible effect upon the discount market. There is less disposition to buy paper; but this is perhaps chiefly attributable to the banks being able to get higher rates upon call loans and to their anticipating a still further advance in the rate of interest during November. There is no reason for supposing that any paper hitherto negotiable would be now refused at an advance of one per cent. in the rate of discount.

The speculative movement in stocks, during the month, has exceeded in volume anything in the history of Wall street. The large amount of idle capital held by the banks has been available to the brokers at 3@5 per cent. on call, and without stint as to amount—a circumstance quite sufficient to induce speculative combinations of great influence and to create wild fluctuations in the prices of securities. The immense transactions of this character have produced an amount of banking transactions which in ordinary times would have been deemed impossible of realization. For the four weeks of October, the exchanges at the Clearing House aggregated $3,186,427,641; which is more than equal to five months transactions six years ago.

The following statement shows the transactions in securities at the regular and open boards, during October:

Shares, sold at Regular Board	1,421,880
" " at Open Board	1,652,226
Total sold at both boards	3,074,106
Government Bonds sold	$10,282,300
" Notes "	2,703,250
State and City Bonds "	2,792,900
Railroad and other Bonds sold	1,234,700
Total Bonds and Notes sold	$17,012,550

The following are the closing quotations of the leading stocks on Friday of the last seven weeks:

	Sep. 21.	Sep. 28.	Oct. 5.	Oct. 12.	Oct. 19.	Oct. 26.	Nov. 2.
Cumberland Coal	48	53⅛	53¾	58	58¾	61	67⅛
Quicksilver	....	53⅛	55⅛	54⅛	55¾	56	55⅛
Canton Co.	54	54¼	....	56¼	....	53	55¾
Mariposa pref	33⅛	30⅛	30¼	30⅛	29⅛	31¾	31
New York Central	106¼	114⅛	116	118¾	119¾	120	119⅝
Erie	75⅞	79⅛	90⅞	83¼	83⅞	84	85⅛
Hudson River	120¼	121¾	122¾	122⅝	....	125	125⅛
Reading	115	116¼	116¾	116⅜	115¾	115⅞	117
Michigan Southern	85¾	85⅞	89⅛	90¼	90¼	92¾	93⅛
Michigan Central	118	114⅝	114	117¼	....	....	116⅜
Cleveland and Pittsburg	87	89⅛	89⅜	93½	91¼	92¼	94
Cleveland and Toledo	117¾	121¼	122¾	127½	120	120	120¾
Northwestern	35¼	37¼	42¾	46⅞	51¼	57¼	58⅛
" preferred	67⅛	71	73⅞	75⅛	76	80⅛	80⅛
Rock Island	111	112	107½	108⅛	108⅝	109⅛	111⅛
Fort Wayne	105¾	107⅞	108⅞	109¾	109¾	109⅛	111¼
Illinois Central	121⅛	123⅛	128	128	127	125⅛	126⅛

The gross earnings of the undermentioned railroads for the month of September, 1865 and 1866, comparatively, and the difference (increase or decrease) between the two years are exhibited in the following statement:

Railroads.	1865.	1866.	Difference
Atlantic & Great Western	$540,537	$526,959	Dec. $13,578
Chicago & Alton	401,280	318,549	Dec. 82,731
Chicago and Great Eastern	106,389	103,037	Dec. 3,352
Chicago & Northwestern	946,707	989,053	Inc.. 42,346
Chicago, Rock Island & Pacific	389,439	896,050	Inc.. 6,561
Erie (incl. Buffalo Division)	1,435,285	1,411,347	Dec. 23,938
Illinois Central	739,736	551,021	Dec. 188,715
Marietta & Cincinnati	125 253	108,338	Dec. 16,914
Michigan Central	460,661	429,160	Dec. 31,501
Michigan Southern	486,808	429,191	Dec. 57,617
Milwaukee & Prairie du Chien	228,020	150,989	Dec. 77,031
Milwaukee and St. Paul	300,841	275,906	Dec. 24,935
Ohio and Mississippi	350,348	278,701	Dec. 71,647
Pittsburg, Fort Wayne & Chicago	795,938	661,608	Dec. 134,330
Toledo, Wabash and Western	379,981	349,117	Dec. 30,864
Western Union	75,677	84,462	Inc.. 8,785
Total (16 roads)	$7,762,949	$7,063,488	Dec. $699,461

The earnings for the first nine months of the years as above are shown in the following table:

Railroads.	1865.	1866.	Difference
Atlantic & Great Western	$3,788,583	$4,141,038	Inc. $352,455
Chicago and Alton	2,967,390	2,752,541	Dec. 214,849
Chicago and Great Eastern	777,354	920,844	Inc. 143,490
Chicago and Northwestern	5,741,295	6,175,961	Inc. 434,666
Chicago, Rock Island & Pacific	2,534,139	2,366,148	Dec. 167,991
Erie (including Buffalo Division)	11,140,215	10,644,721	Dec. 495,494
Illinois Central	5,377,644	4,690,515	Dec. 687,129
Marietta and Cincinnati	890,516	852,771	Dec. 37,745
Michigan Central	3,237,315	3,043,217	Dec. 194,098
Michigan Southern	3,455,086	3,386,871	Dec. 68,215
Milwaukee & Prairie du Chien	1,337,410	1,354,558	Inc. 17,148
Milwaukee and St. Paul	1,621,580	1,661,606	Inc. 40,026
Ohio and Mississippi	2,723,515	2,485,782	Dec. 237,733
Pittsburg, Ft. Wayne and Chicago	6,337,234	5,466,179	Dec. 871,055
Toledo, Wabash and Western	1,942,582	2,639,339	Inc. 696,757
Western Union	497,059	584,017	Inc. 86,958
Total (16 roads)	$54,338,917	$53,136,128	Dec. $1,202,789

The aggregate earnings of the same roads in September, as compared with those of August, show the following result:

	1865.	1866.		Difference.
September	$7,762,949	$7,063,488	Decrease....	$699,461
August	7,182,414	6,534,861	Decrease....	647,553
Increase in September	$580,535	$528,627	Decrease....	$51,908
do do p. c.	8.84	8.09	Decrease....	8.94

This shows that the increase of business for September has been very nearly equal in the two years, and certainly is more favorable for the current year than could have been anticipated. The aggregate decrease for the nine months from the figures of 1865 is now $1,202,789, or 2.21 per cent. It is evident from this showing that the business of the country has not been falling off, since many of the leading companies have been carrying freight at reduced rates. It may also be assumed that labor and materials have cost less in 1866 than in the previous year, while expenditures for repairs and new rolling stock have not been as great, and hence that larger net earnings have probably been made. These considerations point to a continuance of dividends, except in special instances, as with the Erie Company, where earnings have been diverted from their legitimate uses.

The course of the gold market has been comparatively steady. The impor-

ters and professional operators appear to have discovered the folly of keeping the market constantly oversold, thereby producing a chronic scarcity of gold, sustaining the premium, and playing into the hands of strong combinations for forcing up the price; and there has consequently been a marked falling off in the amount of "short" transactions, while the rate of interest on borrowed coin has been nominal. The anticipation of the disbursement of about $24,000,000 of gold upon the November coupons has had much less effect upon the premium than might have been expected, the price at the close of the month being about the same as at the opening. This circumstance appears to be due chiefly to the unsettled condition of home politics and to the new diplomatic aspects suggested by the reported adjustment of the Mexican question. The highest price touched during the month was 153¼, and the lowest 145¼. We annex the daily quotations for the month:

COURSE OF GOLD FOR OCTOBER.

Date.	Open'g	High'st.	Lowest.	Closing.	Date.	Open'g	High'st	Lowest.	Closing
Monday..... 1	146	146⅞	145⅝	146⅜	Saturday.....20	147	147	146¼	146⅜
Tuesday..... 2	147⅛	148⅜	147⅛	148⅞	Sunday 21	.....	.....	.....	.....
Wednesday..... 3	148⅛	148¼	147⅛	147⅞	Monday 22	146⅛	146⅜	145⅝	146¼
Thursday..... 4	148⅝	148¾	148½	148¼	Tuesday 23	145⅝	147⅛	145¾	147⅜
Friday..... 5	148⅞	149½	148½	149¼	Wednesday.....24	147⅛	148¼	147⅛	147⅛
Saturday 6	149¾	149¾	148⅞	149⅜	Thursday.....25	146¾	148	146⅛	148
Sunday..... 7	.....	.....	.....	.....	Friday.....26	148	148	147½	147¼
Monday 8	149⅝	149½	148⅝	149⅛	Saturday.....27	146⅞	146⅞	145⅜	146⅜
Tuesday. 9	149	149⅜	148¼	149⅜	Sunday.....28	.....	.....	.....	.....
Wednesday..... ..10	149⅛	151⅜	149⅛	150⅞	Monday.....29	145⅞	145½	146	146¼
Thursday.....11	151	153⅜	151	152⅞	Tuesday.....30	146¼	146⅝	146	146¼
Friday 12	150⅛	153½	150⅛	153	Wednesday.....31	146¼	146⅜	146¼	146⅜
Saturday 13	153¼	154⅜	152⅜	153					
Sunday.....14	.....	.....	.....	.....	Oct'r...1866.....	146	154¾	145⅝	146⅜
Monday 15	153⅛	153⅜	150⅜	150¾	" 1865..... ..	141¼	149	141¼	146⅜
Tuesday.....16	149⅞	150⅛	147⅜	148¾	" 1864.....	192	227¾	189	223¼
Wednesday.....17	148	148⅞	147⅛	148⅜	" 1863.....	149⅜	156¾	140¾	145⅛
Thursday.....18	148⅛	148⅞	148¼	148⅝	" 1862	121⅞	133⅜	122	129⅜
Friday.....19	148¾	149	147	147⅛	" 1861.....	1 0	100	100	100

The movement of treasure at this port has resulted in an excess of supply over export amounting to $5,202,207. The movement for the last four months shows a gain of nearly 16 millions; for the first ten months of the year, however, the exports exceeded the combined imports from California and from foreign ports by $11,293,135. The receipts from California are again assuming large proportions, the receipts for the ten months being larger than for the same period of any of the last seven years. This is, to a considerable extent, due to the large arrivals of treasure at San Francisco from Nevada, the receipts for the first nine months of the current year having exceeded $11,000,000. The following figures will show the movements of treasure at this port:

MOVEMENT OF TREASURE AT NEW YORK.

	New Supply.			Exports to	Excess of	
Months, &c.	California.	Foreign.	Total.	for. ports.	Supply.	Export.
January.....	$1,485,314	$72,771	$1,558,087	$2,706,336	$.....	$1,148,249
February.....	3,603,000	172,122	3,775,122	1,807,030	1,968,092	.....
March.....	3,958,291	285 854	4,244,145	1,045,039	3,199,10	.....
April	1,539,321	161,817	1,701,138	588,875	1,112,263	.....
May.....	3,992,148	393,073	4,385,221	23,744,194	.....	19,358,973
June	1,842,271	94,549	1,936,820	15,890,956	.....	13,954,136
July.....	6,754,669	345,961	7,100,630	5,821,459	1,278,171	.....
August.....	4,477,659	269,221	4,746,880	1,587,851	3,159,029	.....
September.....	2,584,432	5,193,473	8,077,905	834,550	7.243,355	.....
October.....	4,902,207	1,500,000*	6,402,207	1,200,000*	5,202,207	.....

Jan. Oct. '66.....	.....	$35,439,313	$8,488,841	$43,928,155	$55,226,290	$.....	$11,298.135
do do '65.....	.....	16,232,338	1,773.401	18,006,239	25.186,342	.....	7,180 103
do do '64.....	.....	9,719.908	1,988,919	11,708,827	37,432.083	.....	25.723,256
do do '63.....	.....	10,637.211	1,306,174	11,943,385	39,056,652	.....	27,113,267
do do '62.....	.....	20,992.949	1,201.253	22,194,203	49,541,658	.....	27,347,456
do do '61.	.....	31.217,218	35,826,059	67, 43,276	3,294,852	63,748,424	.....
do do '60.....	.....	28,208,790	2,286.465	30,445,255	41,562,770	.....	11,117,515
do do '59.....	.....	33,025,558	2,463,700	35,489,258	61,270,019	.....	25,780,761

* Estimated.

From San Francisco the combined exports of treasure and merchandise during the first nine months of the current year compared with the same period of 1864 and 1865, were as follows:

	1864.	1865.	1866.
Merchandise exports.....	$9,528.543 00	$10,105.919 31	$12.171,631 00
Treasure exports.....	43.772,559 00	33,111,365 37	34,688,432 85
Totals	$53,301,102 00	$43,217,284 68	$46,860,063 85

The receipts of treasure from all sources at San Francisco, through regular public channels, during the same nine months of 1866, have been as follows:

From California, Northern Mines.....	$18.711,783
From California, Southern Mines.....	3,418,436
From Nevada.....	11,068,218
From Ca stwise Ports, Oregon, &c.....	4,416,010
Imports, Foreign, British Columbia, &c.....	2,031,801
Total	$39,641,248

The Treasure Movement at New York weekly, and the amount in Banks at the close of each week since January 1, has been as follows:

TREASURE MOVEMENT FOR 1866.

1866. week ending	Receipts. from California.	Exports. to foreign countries.	Sub-Treasury Customs receipts.	Sub-Treasury Interest payments.	Sub-Treasury Gold Certificates issued.	Sub-Treasury Certificates returned.	In banks at close of week.
Jan. 6.....	.....	$552,027	$2,107,341	$3,597,240	$3,122,440	$1,34,8832	$15,778,741
" 13.....	$685,610	640,503	2,334,694	1,130,789	3,206,180	1,578,194	16,852,568
" 20.....	799,706	685,894	2,754,369	574,162	2,706,400	1,928,641	15,265,372
" 27.....	.....	656,812	3,226,040	279,842	2,598,400	2,137,048	13,106,759
Feb. 3.....	944,878	292,568	3'347,422	115,204	2,081,280	2,221,423	10,937,474
" 10.....	1,449,074	4'3,409	3,251,734	120.179	1,916,700	2,376,735	10,129,886
" 17.....	.....	445,489	2,893,008	94,828	2 992,900	2,158,009	10,308.758
" 24.	1,209,048	580,196	2,608,796	119,879	5,893,280	1,995,796	14,213,351
Mar. 3.....	.....	75,458	3,386,934	1,183,343	2,125,000	2,664,934	17,181.130
" 10.	1,469,286	556,284	2,297,836	882,712	2,101,000	1,706,835	16,563 237
" 17.....	1,425,353	236,671	2,464,482	328,593	1,498,400	1,919,483	15,015,242
" 24.....	389,837	170,297	2,509,419	174,911	361,280	1,886,419	13,945,651
" 31.....	673,615	3,500	2,451,345	225,414	1,376,000	1,895,334	11,930,292
Apr. 7.....	.....	216,842	2,863 010	63.140	3,016,840	2,120,100	11.436,295
" 14.....	729,862	122,628	2,857,704	49,800	5,038,460	2,274,704	11,035.129
" 21.....	809,459	117,312	2,585,568	85.169	4,504,000	1,971,568	9,495,464
" 28.....	.....	73,880	2,246,207	40,506	4,137,140	1,760,307	8,243,937
May 5.....	1,318,271	1,247,249	2,711,181	7,061,900	4,658,000	2,227,181	10,914,997
" 12....	1,072,820	1,064,496	2,417,391	2,648,600	3,110,000	1,943,391	13.970,402
" 19.....	.....	8,763.295	2,542,814	1,702,000	2,842,000	2,069,814	13,595,465
" 26	1,276,505	9,421.766	2,358.455	940.100	9,177,000	1,929,454	19,376,929
June2.....	324,562	6,870,997	2,182.395	70 500	1,327,000	1,911,395	28,758,093
" 9.....	949,906	4,220,756	2,141,086	283,800	2,626,000	1,868,087	15.821.663
" 16.....	.....	6,055,743	2,071,621	67,000	3,719.000	1,788,621	11,217.305
" 23.....	892,365	1,408,286	2,209,676	106,134	2,793.000	1,809,676	8,504,096
" 30..... .	.....	550 574	2,002,265	298.748	3,232,000	2,309'261	7,797,218
July 7.....	1,617,899	1,630,730	2,47'.626	3,964,634	4,174,000	2,081,626	9,895.266
" 14.....	1.429,833	2,289,270	2,488,296	1,967,600	3,614.400	2,182,226	12,451.684
" 21.....	2,051,.56	416,013	2,480.149	324,100	2.452.000	2,187,149	10,860,140
" 28.....	.....	1,515,446	2,926 884	277.044	2,120,000	2,54 ,884	9,701.547
Aug. 4.....	1,'55,481	530,174	2,794.658	135,500	1,8'9,000	2,'00,653	9,448.900
" 11.....	.....	152,375	2,676,332	61,400	970,000	2,328.331	8,424.290
" 18.....	.....	117,990	2,461,877	50,300	2,064,000	2,145.876	7,545.514
" 25.....	3,091,601	787,312	3,060,893	6),987	2,188,000	2,545,893	6,884,' 77
Sep. 1.....	....	303,912	3.199.168	241,000	2 265,000	2,853,168	6.381,000
" 8.....	....	157,062	3 222,266	1,935,108	2,005 000	2,766,265	7.455,910
" 15.....	1,669,359	197,234	3,105,457	262,000	1,494,000	2,807,457	7,377,869
" 22.....	1,215.073	112,500	2,399,2 0	95,400	3,978,000	2,148,270	7,6'2.611
" 29.....	....	38,240	2.876,777	231,706	1,701,000	2, 50,717	7 643,960
Oct. 6.....	1,109.537	224,385	2 266,'34	270,000	2 382,000	1.924,334	6,203,693
" 13.....	1,185 093	193,050	2,546,361	198,050	2,36',000	2,175.861	5.576,002
" 20.....	1,428,705	66,202	2,629,828	66,202	1,692,0 0	2,361,829	7,371,487
" 27.....	....	523,198	2,460,896	458,198	2,877,140	2,223,886	7,848,289
Since Jan 1.....	$34,210,410	54,703,233	113,746,895	31,977,008	122,078,280	101,033,155	$.....

In addition to the receipts of gold from California as given above, there was received on the 31st $1,228,869, making the total to the end of October $35,439,313.

The steadily augmenting amount of idle capital at this centre has caused an increased demand for public securities; at the same time there has been a continued outflow of Five-twenties to Europe; and, under these influences, the prices of bonds and Treasury notes, though fluctuating, have been generally firm. Five-twenties of 1862 have touched the extraordinary figure of 115¼—an advance of 3¼ upon the price at the opening of the month. We present a record of the daily quotations of leading Government securities during October:

PRICES OF GOVERNMENT SECURITIES, OCTOBER, 1866.

Day of month.	6's, 1881. Coup.	6's, 1881. Reg.	6's, 5-20 yrs. Coup.	6's, 5-20 yrs. Reg.	5's, 10-40 yrs. Coup.	5's, 10-40 yrs. Reg.	7-30's, 1867.
Monday 1	111⅛	111⅛	111⅛	.....	99¾	....	106¼
Tuesday 2	111⅛	.....	111⅛	.....	99¼	99¼	106
Wednesday 3	111⅛	.....	111¾	.....	99¼	99¼	106⅛
Thursday 4	.....	.....	112	.....	99¼	....	106
Friday 5	112⅛	111⅞	112⅝	.....	99¼	....	106⅛
Saturday 6	112⅝	.....	.....	.....	99⅜	99¼	106¼
Sunday 7	.....	.....	.....	.....	....	....	.....
Monday 8	112⅜	.....	113¼	....	99¼	....	106⅜
Tuesday 9	112⅜	....	113¼	105⅞	99⅜	99¼	106⅝
Wednesday 10	112¼	112⅞	113⅛	.....	99⅜	....	106⅝
Thursday 11	112⅜	112⅝	113¼	.....	99⅜	....	106⅜
Friday 12	.....	.....	113¼	.....	....	....	106⅜
Saturday 13	112⅞	113	113⅜	....	99¼	....	106⅜
Sunday 14	.....	.....	.....	.....	....	....	.....
Monday 15	113⅛	113	113⅜	106	99¾	....	.....
Tuesday 16	.....	112¾	113⅜	.....	99¼	99¼	.....
Wednesday 17	112¾	113	114	.....	99¾	99¾	106¼
Thursday 18	112⅞	112¾	114⅛	.....	99¾	99⅞	106⅜
Friday 19	113⅛	113	115¼	106	99⅞	100	107
Saturday 20	.....	113⅛	115	.....	99⅞	100	106⅞
Sunday 21	.....	.....	.....	.....	....	....	.....
Monday 22	113⅜	113⅛	114⅝	....	100	100	106⅜
Tuesday 23	113⅜	....	114¼	106	100	....	106⅜
Wednesday 24	113⅜	113⅛	114¼	106	100	....	106⅜
Thursday 25	113⅜	113¼	114¼	106¼	100	....	106⅜
Friday 26	113⅛	113¼	114⅜	.....	....	....	106⅜
Saturday 27	.....	.....	114⅜	106	100	100⅛	106⅜
Sunday 28	.....	.....	.....	.....	....	....	.....
Monday 29	.....	.....	114⅜	106	99⅞	....	106⅝
Tuesday 30	.....	.....	114¼	.....	100	....	106⅝
Wednesday 31	.....	.....	114¼	.....	100⅛	....	106⅜
Opening	111⅜	111⅛	111⅜	105⅜	99⅜	99¼	106¼
Highest	113⅜	113⅜	115½	106¼	100⅛	100⅛	107
Lowest	111⅜	111⅛	111⅜	105⅜	99⅛	99⅛	106
Closing	113⅜	113¼	114¼	106	100⅛	100⅛	106¼

The following shows the range of daily closing prices for government securities, monthly and for the first ten months of the current year:

		6s 1881 Coup.	6s 1881 Reg.	6s (5-20s) Coup.	6s (5-20s) Reg.	5's(10-40's) Coup.	5's(10-40's) Reg.	7-3°s 1867.	Certifi cates
January	Highest	104⅜	104⅜	105	104⅜	93¾	93¾	99¾	98⅞
	Lowest	103⅝	103⅞	101⅜	101⅜	92⅛	93	98⅜	98⅜
February	Highest	104⅜	104⅜	103⅜	103⅛	94⅞	91⅜	99¾	98⅞
	Lowest	103¼	1 83⅛	102⅛	102⅜	93¼	91⅜	99¼	98⅜
March	Highest	105⅛	105	104⅛	104	92⅜	91	101¼	99⅜
	Low st	104¼	104¼	103	103	90	90⅜	99⅛	98⅜
April	Highest	103⅜	10 ⅛	106⅜	102⅜	96¾	96⅜	100⅞	101⅜
	Lowest	104⅜	104⅜	103	100⅜	91⅜	91⅜	100⅜	99¾
May	Highest	109¾	109⅜	102⅛	10 .⅜	96⅜	96⅛	102⅜	100¼
	Lowest	108	108	100⅜	101⅛	94¾	94⅛	101⅜	100⅜
June	Highest	110⅞	107	104¼	10⅜	97⅜	96¼	103¼	100¾
	Lowest	109⅜	105⅞	102	1 2⅛	96⅜	96¼	102¼	100⅜
July	Hi hest	110	109⅜	108⅛	106¼	99	98⅜	104⅜	....
	Lowest	106⅞	108⅜	104⅜	105	97⅛	98⅜	103	....
August	Highest	113¼	112	113⅜	109	103¼	98¾	107¾	....
	Lowest	109⅜	10 ¾	108¾	105¼	99	95⅜	104	....
September	Highest	11	112	112⅛	108⅝	99¼	99	107⅜	....
	Lowest	111	111	111⅛	108	97⅞	99⅛	105⅜	....
October	Highest	113¾	113¾	11 ¾	106¼	100⅜	100⅜	107	....
	Lowest	111⅛	111⅛	111⅛	105⅞	99⅛	99⅛	106	....

10 months..	January 2.....	104¾	104¼	105	102½	93¾	93¾	99¼	98¾
	Highest.....	113¾	113¾	115¾	109	100¾	100¾	107¾	100¾
	Lowe-t	103⅝	103¾	101⅝	101⅛	90	90¾	98¾	98¾
	October	113	113	114	106	99	99	106	100¾

The course of prices of American Securities at London has been very even, as will appear from the following daily quotations:

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON—OCTOBER, 1866.

Date.	Cons for mon.	Am. securities U. S. 5-20s	Ill. C. sh's.	Erie shs.	Date.	Cons for mon.	Am. securities U. S. 5-20s	Ill. C. sh's.	Erie sh's.
Monday.....● 1	89⅛	70¼	77¾	49¼	Thursday *.....18	89⅛	68¼	78¼	50¼
Tuesday..... 2	89⅛	70¼	77¾	51⅛	Friday 19	89⅛	69	78¼	50¼
Wednesday 3	89⅛	70¼	78	51⅛	Saturday 20	89⅛	69	78¼	50¼
Thursday 4	89⅛	70¼	78	51	Sunday..... 21	...	...	....	....
Friday 5	89¼	70⅛	78¼	51⅛	Monday.....22	89¼	69	78¼	50¾
Saturday*..... 6	89¾	70⅛	78¼	51⅛	Tuesday.....23	89⅛	68¾	78¼	50¼
Sunday..... 7	...	...	...	...	Wedne-day 24	89⅛	68¾	77¾	50¼
Monday*..... 8	89¼	70⅛	78	50¼	Thursday 25	89¼	68¾	77¾	50¾
Tuesday*..... 9	89¼	71	78¼	49	Friday 26	89⅛	68¼	77¾	50¾
Wednesday *.....10	89¾	71¼	78¼	48¾	Saturday.....27	89⅛	68¼	77¼	50¼
Thursday *..... 11	89¼	71¾	78¼	48	Sunday.....28	...	...	....	....
Friday 12	89¼	71¼	78¼	48½	Monday.....29	89¼	68¾	77⅛	51
Saturday 13	89¼	70¼	78¼	49¾	Tuesday.....30	89¼	68¾	77	50¾
Sunday.....14	...	...	...	...	Wednesday 31	89¼	69	77¼	51¾
Monday.....15	89⅛	70¼	78¼	49¾					
Tuesday.....16	89⅛	68¼	78¼	49	Highest..... ..	89⅛	71¼	78¼	51¾
Wednesday.....17	89⅛	68¼	78¼	50¼	Lowest.....	89¼	68¼	77	48

Foreign Exchanges have fluctuated widely during the month, sterling 60 day's bills having ranged between 106¼ and 109¾. In the early part of the month, the supply of bills was augmented by shipments of Five twenty bonds; subsequently, however, the supply of produce bills and of Southern cotton bills combined was within the limits of an ordinary demand, and the rates steadily advanced; but less from actual purchases than from the expectation of a large demand for bills for remittances against November coupons. The ease of money in London, and the comparative facility with which our capitalists at present command credit there, has, no doubt, induced importers to postpone remittances for their Fall purchases to an important extent, in expectation of a decline in the premium on gold after the payment of the November coupons; and these deferred obligations are quite likely to keep the rates of exchange high for some time to come. The daily quotation for exchange has been as follows:

COURSE OF FOREIGN EXCHANGE FOR OCTOBER.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1 .	.....108¼@108¾	521¼@518¾	40¼@40¾	78¾@79	35¾@36¼	70¾@71¼
2..	.....107⅞@108¼	525 @521¼	40 @40⅛	78¼@78½	35¼@36	70¼@71¼
3..	.....107⅞@108¾	522 @521¼	40 @40¼	78¼@78½	35¼@36	70¾@71¼
4..	.....107¾@108	525 @521¼	40 @40¼	78 @78¼	35¼@36	70¾@71¼
5..	.....107¾@108	525 @521¼	40 @40¼	78 @78¼	35¼@36	70¾@71¼
6..	.....107¼@107¾	525 @521¼	40 @40¼	77¾@78	35¼@35¾	71 @71¼
7..	.....	.....	.....	.....	.....	.....
8..	.....106¾@107¼	535 @525	40 @40¼	77 @78	35 @35¼	70 @71
9..	.....106⅞@107¼	532½@525	39½@40¼	76¾@77¼	35¼@35¾	70½@71⅛
10..	.....106¾@107	532½@525	39½@40¼	76¼@77¼	35¼@35¾	70¼@71
11..	.....106¾@107	535 @527½	39½@40¼	76¼@77¼	35 @35¼	70¼@71¼
12 .	.....106¾@107¼	530 @525	39¼@40¾	76¼@77	35 @36¼	70¼@71¾
13..	.....106¾@107¼	530 @525	39¼@40¼	76¼@77	35 @35¾	70¾@71¼
14..	.....	.....	.....	.....	.....	.....
15..	.....107¼@107¾	526¼@523¾	39¼@40	77 @78	35¼@35¾	71 @71¼
16..	.....108 @108¼	525 @523¾	39¾@40¾	77¼@78¾	35¼@36	71 @71¼
17..	.....108 @108¼	525 @523¾	39¾@40¼	77¼@78¾	35¼@36	71 @71¼
18..	.....108¼@108¾	523¾@520	40 @41	78 @79	35¾@36¼	71 @72¼
19..	.....108¼@108¾	522½@520	40¼@41¼	78 @78¾	35¾@36¼	71¼@72
20..	.....108¼@108¾	521¼@518¾	40¾@41¾	78¼@79	35¼@36¼	71¾@72¼

* Our London correspondent's statement. No report.

21..							
22..	108⅜@109¼	521¼@517½	40¼@41½	78¼@79¼	35½@36¼	72	@72½
23..	109 @109¼	520 @516¼	40⅜@41	78¼@79¼	36 @36⅜	72	@72¼
24..	109 @109¼	520 @516¼	40¼@41	78¼@79¼	36 @36⅜	72	@72¼
25..	109 @109¼	520 @515	40¼@41½	78¼@79¼	36¼@36¼	72¼	@72½
26..	109¼@109½	518¾@515	40¼@41¼	79 @79¼	36¼@36¼	72¼	@72¼
27..	109½@109¾	517½@513¾	40¼@41½	79 @79¼	36¼@36¼	72	@73
28..							
29..	109½@109¾	516¼@513¼	40¼@41¼	79¼@79¼	36¼@37	72	@73¼
30..	109¾@109¾	517½@518¾	40¼@41¼	79 @79¼	36½@37	72	@73
31..	109¾@109¾	517½@518¾	41 @41½	79 @79¼	36¼@37	72	@73
Oct.	106¼@109¾	535 @518¾	39¼@41½	76¼@79¼	35 @37	70	@73¼
Sep.	105¼@108¾	545 @518¾	39 @41½	75¼@78¼	35 @36½	68	@72
Aug.	105¼@108¼	545 @517½	39 @41	75 @79	34¼@37	68	@73
July	107¾@109¾	525 @507¼	40 @42	77 @79	36 @37½	72	@75¼
June	107¼@110	205 @507¼	40 @42¼	77 @80¼	35¼@37½	73	@75
May	108¾@109¾	520 @510	40¾@42¼	78¼@80	36 @37¼	71	@74
Apr.	106½@108¾	537½@517¼	39¼@41	76¼@78¼	35 @36¾	69¾	@71½
Mar.	106½@108¾	530@ 518¾	40 @41	77 @78¾	35¼@36¼	70¾	@71½
Feb.	107¼@108¾	532½@517¼	40¼@41	77 @79	35¼@36¼	70¾	@71½
Jan.	108 @109¼	523¾@515	40⅜@41	78 @79¾	36 @36¼	71	@71¾
10 m	105½@110	545 @507½	39 @42¼	75 @80¼	34½@37½	68	@75¼

JOURNAL OF BANKING, CURRENCY, AND FINANCE

Speculation—Money Market—New York, Boston, and Philadelphia Bank returns—National Banks.

The course of monetary affairs has not varied materially during the month. Owing to the activity of stock speculation, there has been a very large demand for call loans, under which the rate of interest has been somewhat firmer; there is, however, still the same plethora of idle funds which has prevailed for some time, and the condition of the market is one of extreme ease. During the month, the condition of the Western banks was such as to allow them to keep considerable deposits in the banks of this city, where their funds draw interest, and the same rule applies to other sections. The general quiet of business throughout the country naturally causes money to rest in the banks of the respective localities; and the banks, in turn, allow their balances with their New York agents to accumulate, the allowance of interest by our banks having a special tendency to encourage such accumulations.

Nor is it to be overlooked that the stagnation of trade in England, consequent upon the panic, and the severe commercial reaction on the Continent, following the late war, have a similar tendency to produce an accumulation here. The banks there have large amounts of idle capital, which they are willing should be made available for American importers—the firmness with which we withstood the effects of the London panic having doubtless fostered this disposition—and as the late high premium on gold has been unfavorable to remittances abroad, this disposition to extend credits to our merchants has no doubt resulted in the deferring of payments for an important proportion of our fall importations. Such a movement naturally results in the importers having large deposits in the banks. This is probably a much more important element in the prevailing plethora of capital than is generally supposed. At the same time, this consideration indicates that, when the importers pay off this back indebtedness, we may anticipate a permanent reaction from the prevailing extreme ease in money; and

the same remark applies to the Western demand for currency for moving the hog crop, a movement which is just at hand.

Below we give the returns for the month of the Banks of New York, Boston, and Philadelphia. It will be seen that the legal tenders held by the New York banks, have decreased about ten millions, and the loans about four millions, while the other items remain about the same.

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
Jan. 6, 1866...	$233,185,059	$15,778,741	$18,588,428	$195,482,254	$71,617,487	$370,617,023
" 13.....	234,938,193	16,852,568	19,162,917	197,766,999	73,019,957	608,082,887
" 20.....	239,331,726	15,265,327	20,475,707	198,816,248	72,799,892	538,949,311
" 27.....	240,407,836	13,106,759	20,963,883	195 012,454	70,819,146	516,323,672
Feb. 3.....	242,510,382	10,937,474	21,494,234	191,011,695	68,796,250	508,569,122
" 10.....	242,908,872	10,129,806	22.240,469	188,701,463	68,436,013	493,431,032
" 17.....	243,068,252	10,808,758	22,983,274	189,777,290	64,802,980	471,886,751
" 24.....	239,776,200	14,213,351	22,959,918	183,241,404	61,602,736	497,150,067
Mar. 3.... ..	235,339,412	17,181,130	22,994,086	181,444,378	58,760,145	526,539,959
" 10.....	233,068,274	16,563,237	23,033,237	180,515,881	64,341,803	594,204,912
" 17.....	233,517,378	15,015 242	23.303,057	185,438,707	66,402,764	579,216,509
" 24.....	234,500,518	13,945,651	23.243,406	185,868,245	69,496,033	593,448,864
" 31	237,316,099	11,980,393	23,736,534	188,554,593	72,158,099	529,240,640
Apr. 7.....	242.643,753	11,486,295	24,127,061	189,094 961	71.445,0 5	602,315.748
" 14.....	244,039,839	11,085,129	24,533,981	193,153,469	73,910,370	578,537,553
" 21.....	242 067.063	9,495,463	24,045.857	196,808,578	77,6 2,688	585,834,778
" 28.....	245,017,692	8,243,937	25,377,280	202,718,574	80,589,022	545,339,068
May 5.....	243,974,134	10,914,997	25,415,677	210,373,303	81,2.4,447	603,556.177
" 12	257,621,317	13,970,402	24,693,259	217,552,853	85.040,659	523,093,533
" 19.....	255,690,463	13,595,465	25,159,864	217,427,729	85,710,107	579,342,488
" 26.....	257,9o9,593	19,736,929	26,223,867	208,977,905	73.829,947	713,575,444
June 2...	250,959,022	21,838,093	26,244,255	198.12 ,289	69,188,' 92	718,575,444
" 9..... .	249,533,959	15,821,663	25,967,253	202,503,949	74,628,674	633,656,381
" 16..... ...	247,301,547	11,217,305	25,887,876	202,415,673	79,179,804	613,698,301
" 23.....	248,436,808	8,504,096	26,585,394	201,969,288	80,640,578	696,447,630
" 30...	250,884,168	7,797,213	26,706,622	204,357,272	81,892,640	568,842,490
July 7.....	257,534,853	9,865,266	27,296,530	205,799,611	79,541,688	511,182,914
" 14..	259,133,434	12,451.684	27,804,172	207,160,043	75.541,977	637,855,787
" 21.....	255.965.018	10.860.147	27,579,020	213,049,079	80,524,992	598.705.726
" 28.....	256,612,071	9,701,046	27,249,813	214,582,926	84,705,814	430,394,808
Aug. 4.....	256,803,717	9,448,900	27,311,549	214,156,705	86,235,079	523,2.6,814
" 11.....	258,262.063	8,424,209	27,523,522	214,232,263	86,861,834	494,810,975
" 18.....	261,951.924	7,545,513	27,796,904	214,310,576	84,80 ,071	554,655,346
" 25.....	265,901,065	6,884,077	27,958,464	218,119,450	86,283,483	617,950,350
Sept.1.....	265,399,697	6,381,660	27,807,834	225,191,282	92, 22,808	586,'64,059
" 8.....	26 ,941,668	7 45 .910	28,506,288	225,107.991	90,194,254	591, 0 ,135
" 15..... .	270,801, 04	7,357 369	29,360,371	¥ 4,844,647	90,773,283	567,299,212
" 22.....	272,177,166	7,662.611	28,770,381	224.394.663	90.428 189	605,290,494
" 29.....	269,807,883	7,643,960	29,219,950	223,336,785	87.896, 21	.....
Oct. 6.....	274,210,161	6,203,693	29,70 .338	¥28,484,780	85,339,679	829,081,759
" 13.....	276 443,219	5,576,002	8 ,176,908	226,5 8,897	83,1 9,422	770,359 9(g
" 20.....	279,135,796	7,371,487	30,415,240	225.083,853	78,625.469	824,721,93
" 27	274,725,456	7,84 ,239	30,243,437	223,540,573	18,064,925	762,264,041

The Philadelphia Banks returns for the month are as follows:

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
Jan. 2, 1866.....	$17,181,229	$45,941,001	$890,822	$7,226,989	$35,342,306
" 8.....	17,236,320	46,774,150	983,685	7,319,528	36.618,004
" 15.....	17,267,412	47,350,428	1,007,186	7,357,973	36.947,700
" 22.....	17,052.559	47,254,622	1,012,980	7,411,337	36,214,653
" 29.....	16,244,277	47,007,558	1,003,825	7,432,534	35,460,881
Feb. 3.....	16,481,005	47,237,661	1,000,089	7,668.965	34,681,135
" 10.....	16,852,737	47,249,383	996,312	7,819.599	34,464,070
" 17.....	16.777,175	46.981,337	953,207	7,843,002	33,926,542
" 24.....	17,282.602	46,865,5 2	1,026,408	7,732,070	33,052,252
Mar. 3.....	17,447.635	46,604,752	1,041,302	8,101,049	32,835.094
" 10.....	17,292,534	46,546,878	1,055,694	8.248,100	32,504,508
" 17.....	16.375,608	46,690,788	1,026,068	8,438,184	32.102,427
" 24.....	15,969,814	46,642.150	981,932	8,580,200	32,144,250
" 31.....	15,951,832	46,048,488	990,630	8,606.230	32,257,553
April 7.....	16,622,233	46,028,641	946,282	8,720,270	32,762,280
" 14	18,323,759	45,114,699	949,116	8,743,396	34,040.864
" 21	18,660,513	45,762,733	936,876	8,761,213	35,448,955
" 28	18,949,719	46,582,734	890.241	8,779,166	36,032.863
May 5	19,144,660	48,006,654	912,023	8,794,348	36,987,007
" 12	19,646,263	48,236,256	896,741	8,939,420	38,414,586
" 19	19.648,232	48,336,567	897,913	8,918,938	37.296,645
" 26	19,715,093	48,036,984	867,094	8,988,742	37,038,418
June 2	21,154 909	47,564,996	890,121	9,022,553	38,189,566
" 9	21,568,085	48,118,897	859,633	9,007,515	38,326,16

" 16	20,568,591	48,616,145	897,381	9,219,553	36,972,476
" 23	21,105,316	48,166,814	899,999	9,290,094	36,715,808
" 30	21,455,836	48,266,904	863,454	9,395,475	37,912,979
July 7	20,546,695	48,892,594	865,981	9,431,664	38,275,788
" 14	20,311,668	49,498,405	852,783	9,442,146	37,707,567
" 21	21,312,705	49,009,316	849,770	9,427,361	37,575,560
" 28	20,9 2,374	48,935,097	826,096	9,382,473	37,270,895
Aug. 4	20,393,826	49,682,529	825,978	9,516,724	37,244,084
" 11	20,060,536	49,164,321	835,158	9,543,472	36,639,226
" 18	19,863,685	48,530,454	811,280	9,566,783	36,942,311
" 25	20,41 ,823	48,591,763	807,071	9,575,534	36,025,288
Sept. 1	24,040,254	50,095,890	806,815	9,589 574	41,162,627
" 8	24,134,918	50,320,063	826,845	9,608,410	41,604,903
" 15	24,5 8,358	49,889,015	802,922	9,605,817	41 093,120
" 22	24,906,9 5	50,787,371	793,395	9,601,273	42,836,971
" 29	24,073,963	51, 37,567	783,024	9,598,497	43,6 3,875
Oct. 6	24, 11,480	51 212,282	769,272	9,631,863	43,800,423
" 1	23,877,073	51,316,400	770,676	9,639,176	43,152,028
" 20	23,631,130	51,474,948	791, 18	9,631,498	43,345,800
" 27	24,140,637	50,973,584	799,652	9,648,655	43,953,737

The footings of the weekly statement of the Boston Banks in some respects show a stronger condition than previous statement, loans having decreased and deposits largely increased. The private deposits now reach $44,694 164, which is the largest amount reported during the present year.

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, $41,900,000.)

	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation— National.	Circulation— State.
January 1	$91,421,477	$801,415	$19,807,300	$38,451,794	$21,497,354	$1,404,721
" 8	92,245,129	1,081,327	19,914,065	41,718,139	21,806,180	1,328,793
" 15	92,959,364	1,029,105	20,438,014	40,939,870	21,946,595	1,273,948
" 22	92,665,111	1,040,114	20,750,698	40,900,6 9	22,034,612	1,215,675
" 29	92,877,783	1,008,013	20,544,830	39,153,816	21,899,318	1,157,848
February 5	94,578,358	805,237	20,568,185	40,426,163	22,325,4 8	1,125,728
" 12	94,063,827	632,591	20,412,589	38,768,019	22,348,633	1,057,328
" 19	95,250,420	508,428	20,418,909	38,494,696	22,602,581	1,033,391
" 26	93,539,000	521,202	20,262,177	36,398,481	22,887,971	1,048,022
March 5	92,990,512	556,856	20,031,968	35,581,876	22,606,835	1,006,719
" 12	90,705,159	623,038	19,905,120	35,297,498	22,730,829	721,809
" 19	91,902,811	606,992	20,470,018	36,696,321	24,018,916	910,740
" 26	91,931,236	513,153	20,913,521	35,887,368	23,019,887	901,620
April 2	92,351,979	532,556	20,761,014	36,697,227	23,087,693	869,329
" 9	92,142,975	487,455	20,334,570	37,426,560	23,266 612	830,069
" 16	91,250,882	457,648	19,902,647	37,606,696	23,695,043	777,198
" 23	86,120,897	411,093	19,309,145	36,946,182	23,469,438	744,041
" 30	86,723,001	401,118	19,549,614	38,396,210	22,856,656	744,425
May 7	90,369,569	576,170	21,415,716	41,205,276	23 516,330	719,688
" 14	90,828,554	501,013	22,462,522	42,021,976	23,551,579	695,537
" 21	89,634,864	472,172	22,973,509	41,61 ,149	23,195,968	661,519
" 28	91,833,403	436,391	23,658,956	41,631,746	23,722,277	644,658
June 4	92 ,87,648	503,991	26,148,678	42,992,749	23,679,0 5	609,371
" 11	89,878,993	374,966	25,470,926	42,858,986	22,916,559	480,590
" 18*	87,568,533	371,596	24,426,749	41,992,820	21,845,977	544,941
" 25	94,336,170	323,335	25,019,436	42,587,020	23,633,008	507,871
July 16	96,047,000	458,600	21,610,000	40,4 7,000	24,145,000	413,000
" 23	95,995,866	441,689	22,766,738	40,935 853	24,057,765	401,544
" 30†	95,002,698	368,776	22,242,659	39,7 0,363	23,804,526	355,864
August 6	96,672,749	318,779	22,432,817	40,549,379	24,116,795	380,980
" 13	95,771,749	295,241	21,101,481	39,192,620	24,104,957	202,734
" 20	94,915,075	333,670	20,817,159	38,619,847	24,290,816	368,168
" 27	94,819,253	322,083	2 ,688,693	39,028,518	24,262,817	363,405
Sept. 3	95,887,808	264,863	22,071,251	39,856,550	24 240,925	344,773
" 10	94,873,709	314,204	21,580,730	39,149,497	24,295,875	356,075
" 17	94,788,268	328,880	20,303,416	38,357,208	24,345,328	351,401
" 24	93,825,673	316,771	20,977,954	40,014,189	24,344,545	336,465
Oct. 1	93,676,898	277,506	21,087,890	42,095,214	24,238,047	343,408
" 8	94,708,912	250,638	20,612 630	43,098,520	21 329,124	340,977
" 15	95 039,3 5	240,417	19,801,519	43,330,226	24, 31,51	337,656
" 22	95,464,225	219,302	19, 00,205	44,303 573	24,459,496	334 172
" 29	95,381,855	250,716	19,654,336	44,694,104	24,443,519	332,453

* No returns from National Bank of Redemption. † No returns from the Traders' Bank.

No new National banks were organized during the month, but the circulation has been increased, until now, it amounts to $294,636,689. The following comparison shows the progress of the National Banks since May 5, in respect to number, capital, and circulation.

Date.	B'ks.	Capital.	Circulation.	Date.	B'ks.	Capital.	Circulation.
May 5.....	1,650	$.....	$271,262,165	Aug. 4.....	1,656	$.....	$286,895,545
May 12.....	1,650	.....	272,878,895	Aug. 11.....	1,656	.....	287,048,950
May 19.....	1,650	.....	274,653,195	Aug. 18.....	1,656	.....	288,403,775
May 26.....	1,650	414,921,479	276,540,510	Aug. 25.....	1,658	.....	289,021,085
June 2.....	1,650	.....	277,379,660	Sept. 1.....	1,658	.....	289,510,830
June 9.....	1,650	.....	278,905,675	Sept. 8.....	1,659	.....	291,179,045
June 16.....	1,653	.....	280,263,890	Sept. 15	1,659	.....	291,851,315
June 23...	1,653	.....	281,234,460	Sept. 22.....	1,659	.....	292,214,720
June 30.....	1,653	.....	282,555,440	Sept. 29.....	1,659	.....	293,032,903
July 7.....	1,653	.....	283,627,605	Oct. 13.....	1,659	.....	294,072,059
July 14.....	1,654	.....	284,101,675	Oct. 20.....	1,659	.....	294,377,904
July 21...	1,655	....	.....	Oct. 27.....	1,659	.....	294,636,589

The following is a synopsis of the quarterly reports of the National banks of the United States, 1866:

LIABILITIES.	July 1, 1866.	Oct. 1, 1866.	RESOURCES.		
Capital paid in.	$414,170,493	$415,278,969	Loans and discounts.	$548,216,206	$601,238,808
Notes in circulalation	267,778,678	280,129,558	Due from banks.....	110,674,660	119,734,408
Old circulation as State banks	19,996,163	9,819,719	R. estate, furniture, &c	16,726,533	17,122,117
Profit and loss.....	79,437,251	85,942,606	Specie and legal tend.	214,035,870	213,941,477
Due banks and bank'rs	122,448,455	137,411,762	Cash items.....	96,077,134	103,676,648
Due Treasury of United States.....	89,105,077	33,400,776	United States bonds, 7-30 notes, &c	447,536,300	442,544,940
Due depositors.... ..	533,290,265	563,510,570	Bills of banks.....	17,891,722	17,437,699
Miscellaneous.....	40,495	.....	Expense account.....	3,030,440	5,298,376
			Overdrafts.....	2,111,238	2,008,695
			Miscellaneous.....	19,964,774	2,490,892
Total liabilities...	$1,476,266,877	1,525,493,960	Total resources....	$1,476,266,877	1,525,493,960

The volume of National Bank circulation has increased in three months nearly thirteen millions; while the old issues as State banks have diminished ten millions. The loans are fifty-three millions more than in July last; and the private deposits thirty millions.

GEORGIA STATE BONDS.

The following order of the Governor of Georgia, and notice of the Treasurer in reference to the Georgia State Bonds, are just issued under the act passed in March last by the General Assembly:

EXECUTIVE DEPARTMENT, MILLEDGEVILLE, Ga., Oct. 13, 1866.

In conformity with an act of the General Assembly, approved 12th of March, 1866 numbered 10, it is ordered:

1. That all bonds and coupons of the State of Georgia now due, and which were not issued in aid of the late war, wheresoever made payable, may be funded on presentation at the Treasury of the State, in mortgage bonds of the State, bearing seven per cent. interest from the 1st of July, 1866, that being the day of their date.

2. That all coupons payable in New York or in London, now due, and embraced in the descriptive list furnished the Agency by the Treasurer, may be funded in bonds described above, on presentation at the National Bank of the Republic, New York.

3. That all coupons funded in New York be marked paid, and returned to the Treasury, with a descriptive list of bonds issued in funding them.

4. That the Treasurer endorse, or cause to be endorsed, on each bond funded, the name of the person presenting it, and that a registry of all bonds issued in the funding process be kept in the Treasurer's office.

5. No interest is allowed on bonds or coupons after maturity.

CHARLES J. JENKINS, Governor.

TREASURY OF GEORGIA, MILLEDGEVILLE, Oct. 13, 1866.

Holders of over-due bonds and coupons of the State of Georgia are hereby notified that, in accordance with the above order, they can receive for them, on presentation at this Department, new bonds of the State, dated 1st of July, 1866, due twenty years after date, bearing interest at seven per cent. per annum, payable semi-annually, in January and July, and secured by mortgage on the Western and Atlantic Railroad.

The bonds being in sizes of $500 and $1,000, holders must present their bonds and coupons in multiples of these sums, or make up their deficiency in currency.

No provision for payment of interest after maturity of bonds or coupons having been made by the Legislature, it cannot, of course, be allowed at this Department.

Persons sending bonds in under the above order are requested to write their names legibly on the margin, to guard against mistakes in their entry on the records, as ordered above.

JNO. JONES, Treasurer.

THE NEXT WORLD-GIRDLE.

PROGRESS OF THE RUSSO-AMERICAN TELEGRAPH.

The San Francisco *Bulletin* of Oct. 17 gives the following details concerning the progress of the Russo-American Telegraph enterprise: The Western Union Telegraph Company's bark Clara Bell has arrived from Glujiga Bay, at the head of the Ochotsk Sea. Her outward voyage was performed by way of Petropolovski, where she found orders to proceed to Ghijiga, which had been selected as the base of operations on the coast of the Ochotsk Sea. The Company's steamer George S. Wright, carrying Col. Bulkley, the Engineer-in-Chief, arrived at Petropolovski on the 24th of July, and sailed on the 6th of August for Anadyr Bay and Norton Sound. The Russian corvette Variag, seventeen guns, which had been assigned to the service of the Telegraph Company, was at Petropolovski on the arrival of the Wright, and her captain reported at once to Col. Bulkley for orders.

The Variag sailed on the 6th of August for the mouth of the Amoor by way of Ghijiga and Ochoisk, having on board Count P. Anossoff, Russian Commissioner to the Telegraph Company, and Thomas W. Knox, American journalist with the expedition, who proceeds overland from Nikolaeffsk to St. Petersburg. The Variag reached Ghijiga on the 15th of August, and sailed four days later for Ochoisk.

Major S. Abasa, Chief of the Asiatic Division of the Russo-American Telegraph, has established his headquarters at Ghijiga. During the past winter he explored in person the route between Ghijiga and Ochotsk, and determined the position of the lines for that distance. Capt. Mahood explored the route from the mouth of the Amoor to Ochotsk, and joined Major Abasa at the latter point. At the same time Capt. Kennon made a survey from Ghijiga to the Anadyr Bay, and located the route of the telegraph. Thus the whole distance from Behring Sea to the terminus of the line at the mouth of the Amoor has been explored and the route selected.

In the region around Ghijiga working parties are busy in the preliminary work and will have a considerable quantity of poles ready by the end of Summer. From Ghijiga and the mouth of the Amoor the line mostly follows the valleys behind the coast range of mountains, but in some places follows the shores of the Ochotsk Sea. Timber is abundant on the most of the route, except in some places where mountain ranges are crossed and in the region immediately around Ghijiga, where poles must be cut on the Ghijiga River and rafted as near as possible to the places where they will be used. Along the whole route, wherever laborers could be procured, they have been engaged in the work begun.

The Government officials have been prompt in affording every assistance to Major Abasa and his subordinates, without waiting directions from St. Petersburgh. Count Anossoff has issued orders to all the officials to render any desired service that may assist the completion of the line. As soon as the necessary material is received and distributed, the work will be pushed with great rapidity.

TRANSPORTATION OF COTTON.

The Treasury Department has just issued additional regulations concerning the transportation of cotton in bond, to the following effect:

It having been represented that much hardship and inconvenience are entailed upon the smaller planters and farmers in the interior counties of the cotton producing districts, or in consequence of the enforcement of recent regulations concerning the removal of cotton in bond, and that additional and much-needed facilities would be offered by allowing bonds for securing payment of the tax upon delivery of the cotton at the point of destination to be taken by the collector of the receiving district, instead of the collector of the district whence the cotton is shipped, as provided by regulations, series 2, No. 5, issued from this office under date of July 31, 1866. The following additional regulations upon the subject have been adopted for securing the payment of the tax, and as affording the measure of relief sought for:

Parties desirous of bringing cotton to seaports or other places for shipment from other districts, will be allowed to do so upon executing and delivering to the collector of the district where such seaport or place is situated, a bond with two or more

sufficient sureties approved by the collector receiving it conditioned for the payment of the tax upon all cotton for which permits may be granted by the assessor of the district in which such cotton may be grown. This bond must be executed in a penal sum equal to double the amount of the tax on the quantity of cotton intended to be removed and *in transitu* at any one time during its continuance, and assessors will be careful not to grant further permits upon any bond when the tax upon the quantity already permitted amounts to one-half of the sum named therein, until certificates of payment of the tax on the whole or a portion of the cotton transported under former permits are received from the receiving collector, when additional permits may be granted; but in no case must the tax upon the quantity under permit and accounted for exceed one-half of the penal sum of the bond. Thus, if the bond is given in a sum securing the tax upon 500 bales of 400 pounds each. When this limit is reached no further permit should be granted except upon the receipt of delivery and payment as hereinafter provided Immediately upon the execution of this bond, the collector to whom it is delivered will transmit it, retaining a copy thereof in his office, to the assessor of the district whence it is intended to remove the cotton, who will thereupon be authorized to grant permits for the removal of the cotton upon application being made by the principal or his agent. Upon receiving this application the assessor will grant permits. The circular concludes with instructions to the assessor and collector and it is stated that if the cotton has not been weighed before removal by a duly-appointed weigher, the amount of tax named in the permit will be based upon the weight, as certified by the owner or the proprietor of the gin house. In order to arrive at the true amount of tax to be paid on the cotton removed under these conditions, it must be marked upon its arrival in the receiving district by the officer appointed for that purpose, to whom a fee of 25 cents per bale will be paid for this service, and upon whose certificate of the weight the tax shall be collected. These regulations are to beconsidered additional to, and as not superceding those contained in series 2, No. 5, or the additional regulations published under date of Sept. 25 1866.

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The following advertisements appear in our advertising pages this month:

MERCANTILE.

Marshall's Portrait of Abm. Lincoln—Ticknor & Fields.
L. Prang & Co.—Boston and New York—Holiday Publicat ons, etc.
Howard & Co. — 619 Broadway — Diamonds, Watc es, Holiday Gifts, etc.
Mercantile Library—Clinton Hall, Astor Place an Eighth St.
Ferdinand Korn—191 Fulton St.—Eau de Cologne.
Lewis Audendried & Co.—110 Broadway—Anthracite and Bituminous Coal.
Grover & Baker—495 Broadway—Sewing Machines.
A. B. Sands & Co.—139-141 William St.—Drugs
Wm. Duryea, agent—163 Fulton St.—Maizena.
J. W. Bradley—97 Chambers St.—Hoop Skirts.
Chickering & Sons—652 Broadway—Pianos.

BANKERS & BROKERS.

Barstow, Eddy & Co.—26 Broad St.
Lockwood & Co.—94 Broadway.
Vermilye & Co.—44 Wall St.
Eugene Kelly & Co.—36 Wall St.
DeWitt, Kittle & Co.—88 Wall St.
Wells, Fargo & Co.—84 Broadway.
Simon De Visser—52 Exchange Place.
Duncan, Sherman & Co.—Cor Pine & Nassau.
L. P. Morton & Co.—35 Wall Street.
J. J. Cisco & Son—33 Wall St.
Robinson & Ogden—4 Broad St.
Howe & Macy—30 Wall St.
Gilmore, Dunlap & Co.—Cincinnati.
Lewis Johnson & Co., Washington.
Ninth National Bank—363 Broadway.

INSURANCE.

Marine—Atlantic Mutual Ins. Co.—71 Wall St.
Mercantile Mut. Ins. Co.—5 Wall St.
Orient Mutual Ins. Co.
Sun Mutual Ins. Co.—49 Wall St.
Great Western Insurance Co.
Fire—Hope Fire Ins. Co.—92 Broadway.
Morris Fire and Inland Ins. Co.—81 Pine.
Germania Fire Ins. Co.—175 Broadway.
Ætna Insurance Co.—Hartford.
U. S. Life Insurance Co.—40 Wall St.

THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

DECEMBER, 1866.

THE COTTON TAX AND THE INDUSTRIES OF THE NORTH.

We are pursuaded that the effect of the cotton tax on Northern interests has not been sufficiently considered. It is customary to look at this impost as one merely of revenue, shutting out from view entirely its influence upon our own industries. The argument sustaining it has always been based on the idea that the tax was not paid by the North, nor even by the South, but that it was collected in great part out of the European consumer. There are, however, weighty reasons, at present apparently lost sight of, why the North should question the expediency of this tax, and demand that the policy or impolicy of it be brought under the immediate and earnest consideration of Congress.

It must be clear, we think, by this time that the Liverpool manufacturer cannot be compelled to pay the tax. Before the war we had a monopoly; our cotton drove out all competition. No country could produce the staple in sufficient quantities, as good or as cheap as we could. A tax of three cents then, would have been easily collected. The planter could have added it to his price without materially affecting the production in other countries. A four years cotton famine has, however, worked a very decided change. Now, instead of monopolizing the trade, we have many competitors. Even the India staple, which was supposed to be incurably defective, has been improved, and English machinery has been far better adapted for working it, the war having developed methods of using India cotton not before known. Then, again,

there are several countries, as is well known, sending supplies to market which command as high, and some of them higher prices than our own uplands.

The effect of all this is seen in the present state of the Liverpool market. With a crop in the United States of only about two million bales (and many estimate it much below that figure), the Liverpool price is about 14d., with a downward tendency. In fact, many good judges believe that it will decline to 10d. or 11d. at least, before the winter has passed, so nearly independent of us have foreign markets become. Another year we shall have less control of the price. Many countries which are, from various causes, furnishing decreased supplies now, promise larger returns another twelve months, the present tax offering a premium on production elsewhere. That this is the effect of the law, so far as the foreign purchaser is concerned, is easily seen. Assuming the planter to put the tax upon the price of his cotton, it results that the quotation for American cotton at Liverpool is increased 1½d. per pound. That advance necessitates a substitution of the staple of other countries for American, which again puts up the price of these descriptions, and directly stimulates the production of cotton in such countries, consolidating the cotton interest there, and promoting a permanent extension of the foreign crop. The consequent increase of supply from those sources reacts upon the value of our own crop; and this natural process of adjustment deprives the planter of the ability to collect his tax from foreign buyers. The result, therefore, is to place the American grower at a disadvantage of three cents per pound in competing with the grower of other countries. This, if long continued, will be sufficient to foster production elsewhere to such an extent as to force down prices to about their old level, when the planter, being no longer able to grow cotton at a profit, will abandon that for some other branch of agriculture. It would thus appear that we have no power to compel foreigners to pay this tax. The result of it must be to transfer our cotton trade to other countries, and to place Great Britain in that position of independence of the American cotton supply which she has now nearly attained, and which, for political reasons, she has long sought.

It is hardly necessary for us to say that the maintenance of the cotton trade is vital to the future prosperity of the United States. The South is by no means the only interested party—nor, as we think, is she chiefly interested. The prosperity of this trade means the prosperity of the whole Union; its recuperation means the recuperation of the whole industry of the country. Who can estimate the advantage we received from the two and a half million bales brought to market since the war closed! Do we not all know that it bridged difficulties which to many minds appeared impassable? Our exports of cotton during the year ending Sept. 1, 1866, were 1,552,457 bales, and we received in gold for these expots over 230 million of dollars. To how great an extent are we in the North indebted to these very exports for the decided prosperity enjoyed and our own quick recuperation since the war closed? Is it not, then, a question that we should seriously consider, whether it is wise to cripple an industry like this?

The cotton tax, moreover, has a directly injurious bearing upon our cotton manufacturers. With them a cheap supply of the raw material is

of vital importance to enable them to compete with other countries. Either reducing the production or increasing the relative price of the American staple by taxation, must check the growth of the manufacturing interest. In fact, practically we are shut up to the consumption of the American cotton. Our machinery is not adapted for the use of the short staple of other countries; and, if it were, there would be the necessity of adding to the price paid at Liverpool the cost of transporting the India staple here. Our manufacturers are thus placed at a disadvantage as compared with those of Lancashire, who have a variety of staples to which they can resort rather than pay the tax. By mixing a certain proportion of Eastern cotton with American, they can set off the extra price of our cotton arising out of the tax, and yet on many heavy goods, and on dyed goods, especially, produce an article as marketable as though made wholly from Southern cotton. Thus the tendency of the tax is to divert cotton manufacturing from New England to Lancashire, and to give English cotton goods the ascendancy over American, not only in foreign countries, but in our own market. It is true the revenue law allows upon domestic cotton goods exported a drawback equivalent to three cents per pound upon the weight of cotton contained in them. But this advantage has thus far availed our manufacturers little, the entire export of cotton goods from this port and Boston from Jan. 1st to the beginning of November having been only 12,634 packages, against 110,772 packages for the corresponding period of 1860, showing that we have regained little of the trade in these manufactures with foreign countries, transferred to England during the war.

Then again it is evident that if we cripple the South, if this tax deprives the planter of a profit on his crop, he must purchase just so much less of our products. One portion of this country cannot suffer and the other be prospered. To what extent the present stagnation in business is due to this very cause, we do not undertake to say. But when we remember that on a crop of 2 million bales (of five hundred pounds each) 30 million of dollars is exacted, in addition to the income tax which we all pay, we see how heavy is the burden they are laboring under, and with the price falling how important they would find it to confine their purchases to the merest necessities of life. And it should be remembered too that this tax bears with peculiar hardship upon the freedmen—the laborer who produces the crop. In many cases he is the planter struggling to work his way up; in all other cases he is the employee, and must of necessity suffer in common with the employer.

Finally, such a diversion from cotton growing, as must inevitably follow from the permanence of this tax, would result in important embarrassment to our agricultural interest. The South would then be driven to the cultivation of breadstuffs upon her broad cotton lands; and as she would produce a large surplus of those commodities, she would become a competitor with the West for the foreign markets, resulting in a decline in the value of agricultural products throughout the country. It is thus, indeed, that heavy taxes upon special industries always work out derangement in production with consequent injury to trade at large.

For these, among many other reasons, it is much to be hoped that Congress will at an early day reconsider this question in a broad and national light, not merely with a view to remedying the present obstructive method of collecting the tax, but for the purpose of utterly and finally abolishing the impost.

10 months..	January 2.....	104¼	104⅛	105	102⅛	93¾	93¼	99¼	98¾
	Highest.....	113¾	113¼	115¼	109	100⅞	100¾	107¾	100¾
	Lowest.....	103⅞	103⅞	101⅝	101⅛	90	90⅛	98¾	98⅜
	October.....	113	113	114	106	99	99	106	100¾

The course of prices of American Securities at London has been very even, as will appear from the following daily quotations:

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON—OCTOBER, 1866.

Date.	Cons for mon.	Am. securities U. S. 5-20s	Ill. C. sh's.	Erie shs.	Date.	Cons for mon.	Am. securities U. S. 5-20s	Ill. C. sh's.	Erie sh's.
Monday.....● 1	89⅛	70¼	77⅛	49¼	Thursday *.....18	89⅛	68¾	78⅛	50¼
Tuesday..... 2	89⅛	70¼	77⅛	51⅛	Friday 19	89⅛	69	78⅛	50⅛
Wednesday 3	89⅛	70¼	78	51⅛	Saturday.....20	89⅛	69	78⅛	50⅛
Thursday 4	89⅛	70⅛	78	51	Sunday..... 21	....	....	....	....
Friday 5	89¼	70⅛	78⅛	51⅛	Monday.....22	89¼	69	78¾	50¾
Saturday*..... 6	89¼	70⅛	78⅛	51⅛	Tuesday.....23	89⅛	68¾	78¼	50⅛
Sunday..... 7	....	....	....	....	Wednesday 24	89⅛	68¾	77¾	50¼
Monday*..... 8	89¼	70⅛	78	50¼	Thursday 25	89¼	68¾	77⅛	50¾
Tuesday*..... 9	89¼	71	78¼	49	Friday 26	89⅛	68¼	77⅜	50¼
Wednesday *.....10	89⅜	71¾	78¼	48⅜	Saturday.....27	89⅛	68¼	77¼	50¼
Thursday *..... 11	89¼	71⅛	78¼	48	Sunday.....28	....	....	....	....
Friday 12	89¼	71¼	78⅛	48⅛	Monday.....29	89¼	68¾	77⅛	51
Saturday 13	89¼	70⅛	78¼	49⅛	Tuesday.....30	89¼	68¾	77	50⅛
Sunday.....14	....	....	....	....	Wednesday 31	89¼	69	77¼	51¼
Monday.....15	89⅛	70¼	78⅛	48⅛					
Tuesday.....16	89⅛	68¼	78⅛	49	Highest..... ..	89⅛	71¼	78¾	51¾
Wednesday..... .17	89⅛	68¾	78¾	50¼	Lowest.....	89¼	68¼	77	48

Foreign Exchanges have fluctuated widely during the month, sterling 60 day's bills having ranged between 106½ and 109¼. In the early part of the month, the supply of bills was augmented by shipments of Five-twenty bonds; subsequently, however, the supply of produce bills and of Southern cotton bills combined was within the limits of an ordinary demand, and the rates steadily advanced; but less from actual purchases than from the expectation of a large demand for bills for remittances against November coupons. The ease of money in London, and the comparative facility with which our capitalists at present command credit there, has, no doubt, induced importers to postpone remittances for their Fall purchases to an important extent, in expectation of a decline in the premium on gold after the payment of the November coupons; and these deferred obligations are quite likely to keep the rates of exchange high for some time to come. The daily quotation for exchange has been as follows:

COURSE OF FOREIGN EXCHANGE FOR OCTOBER.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1 .	.....108⅛@108⅜	521¼@518¾	40¼@40¾	78⅛@79	35⅜@36⅛	70¾@71¼
2..	.....107⅞@108⅛	525 @521¼	40 @4 1⅛	78¼@78⅝	35⅛@36	70¾@71¼
3..	.....107⅞@108¼	522 @521¼	40 @40⅛	78¼@78⅛	35⅛@36	70¾@71⅛
4..	.....107⅛@108	525 @521¼	40 @40⅛	78 @78⅛	35⅛@36	70¾@71¼
5..	.....107⅛@108	525 @521¼	40 @40⅛	78 @78⅛	35⅛@36	70¾@71⅛
6..	.....107⅛@107¾	525 @521¼	40 @40⅛	77⅜@78	35⅛@35⅞	71 @71⅛
7..	.....	.....	.....	.....	.....	.....
8.	.....106⅞@107¼	535 @525	40 @40¼	77 @78	35 @35⅛	70 @71
9..	.....106⅞@107¼	532½@525	39⅞@40¼	76⅞@77⅛	35⅛@35⅜	70⅜@71⅛
10..	.....106⅞@107	532½@525	39⅞@40⅛	76⅞@77⅛	35⅛@35⅜	70⅜@71
11..	.....106¼@107	535 @527½	39⅞@40⅛	76⅞@77⅛	35 @35⅛	70⅜@71⅛
12 .	.....106¾@107⅛	530 @525	39⅞@40⅛	76⅞@77	35 @36⅛	70⅜@71⅛
13..	.....106¾@107⅛	530 @525	39⅞@40⅛	76⅞@77	35 @35⅜	70⅜@71⅛
14..	.....	.....	.....	.....	.....	.....
15..	.....107¼@107⅜	526¼@523¼	39¾@40	77 @78	35⅛@35¾	71 @71⅛
16..	.....108 @108¼	525 @523¾	39¾@40⅜	77¼@78⅛	35⅛@36	71 @71¼
17..	.....108 @108¼	525 @523¾	39¾@40⅜	77⅛@78⅛	35⅛@36	71 @71¼
18..	.....108¼@108¾	523¾@520	40 @41	78 @79	35⅞@36¼	71 @72⅛
19..	.....108¼@108¾	522¼@520	40¼@41¼	78 @78⅝	35¾@36¼	71¼@72
20..	.....108¼@108¾	521¼@518¾	40¾@41¼	78⅛@79	35¾@36¼	71¾@72¼

[*] Our London correspondent's statement. No report.

21..							
22..	108⅞@109¼	521¼@517½	40¾@41½	78¾@79¼	35¾@36½	72	@72¼
23..	109 @109¼	520 @516¼	40⅝@41	78¾@79⅜	36 @36¼	72	@72⅝
24..	109 @109¼	520 @516¼	40⅝@41	78¾@79¼	36 @36¼	72	@72¾
25..	109 @109¾	520 @515	40¾@41½	78¾@79¼	36¼@36¾	72¼@72¾	
26..	109½@109¾	518¾@515	40¾@41½	79 @79¼	36¾@36¾	72¼@72¾	
27..	109¼@109¾	517½@518¾	40¾@41½	79 @79¾	36¾@36¾	72 @73	
28..							
29..	109½@109⅞	516¼@518¼	40⅞@41½	79¼@79¾	36¾@37	72	@73¼
30..	109½@109¾	517¼@518¾	40¾@41½	79 @79¾	36½@37	72	@73
31..	109¾@109¾	517½@513¾	41 @41½	79 @79¾	36¾@37	72	@73
Oct.	106¼@109⅞	535 @513¾	39¾@41½	76¾@79¾	35 @37	70	@73¼
Sep.	105¾@108¼	545 @518¾	39 @41½	75¾@78¾	35 @36½	68	@72
Aug.	105¾@108¼	545 @517¼	39 @41	75 @79	34½@37	68	@73
July	107¾@109¼	525 @507½	40 @42	77 @79	36 @37½	72	@75¼
June	107¾@110	205 @507½	40 @42¾	77 @80¼	35¾@37½	73	@75
May	108¾@109⅞	520 @510	40⅞@42½	78¾@80	36 @37¼	71	@74
Apr.	106½@108¼	537½@517½	39¾@41	76¼@78¼	35 @36½	69¾@71½	
Mar.	106½@108¾	530@ 518¾	40 @41	77 @78¾	35¾@36½	70¾@71¾	
Feb.	107¼@108¾	532¼@517½	40¼@41	77 @79	35¼@36½	70¼@71¼	
Jan.	108 @109¼	528¾@515	40⅝@41	78 @79¼	36 @36¾	71	@71¾
10 m	105¾@110	545 @507½	39 @42¾	75 @80½	34½@37½	68	@75¼

JOURNAL OF BANKING, CURRENCY, AND FINANCE

Speculation—Money Market—New York, Boston, and Philadelphia Bank returns—National Banks.

The course of monetary affairs has not varied materially during the month. Owing to the activity of stock speculation, there has been a very large demand for call loans, under which the rate of interest has been somewhat firmer ; there is, however, still the same plethora of idle funds which has prevailed for some time, and the condition of the market is one of extreme ease. During the month, the condition of the Western banks was such as to allow them to keep considerable deposits in the banks of this city, where their funds draw interest, and the same rule applies to other sections. The general quiet of business throughout the country naturally causes money to rest in the banks of the respective localities ; and the banks, in turn, allow their balances with their New York agents to accumulate, the allowance of interest by our banks having a special tendency to encourage such accumulations.

Nor is it to be overlooked that the stagnation of trade in England, consequent upon the panic, and the severe commercial reaction on the Continent, following the late war, have a similar tendency to produce an accumulation here. The banks there have large amounts of idle capital, which they are willing should be made available for American importers—the firmness with which we withstood the effects of the London panic having doubtless fostered this disposition—and as the late high premium on gold has been unfavorable to remittances abroad, this disposition to extend credits to our merchants has no doubt resulted in the deferring of payments for an important proportion of our fall importations. Such a movement naturally results in the importers having large deposits in the banks. This is probably a much more important element in the prevailing plethora of capital than is generally supposed. At the same time, this consideration indicates that, when the importers pay off this back indebtedness, we may anticipate a permanent reaction from the prevailing extreme ease in money ; and

the same remark applies to the Western demand for currency for moving the hog crop, a movement which is just at hand.

Below we give the returns for the month of the Banks of New York, Boston, and Philadelphia. It will be seen that the legal tenders held by the New York banks, have decreased about ten millions, and the loans about four millions, while the other items remain about the same.

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
Jan. 6, 1866...	$233,185,059	$15,778,741	$18,588,428	$195,482,254	$71,617,487	$370,617,523
" 13.....	234,938,193	16,852,568	19,162,917	197,766,999	73,019,957	608,082,887
" 20.....	239,337,726	15,265,327	20,475,707	198,816,248	72,799,892	538,949,311
" 27.....	240,407,836	13,106,759	20,963,883	195,012,454	70,319,146	516,323,672
Feb. 3.....	242,510,382	10,937,474	21,494,234	191,011,695	68,796,250	506,569,123
" 10.....	242,608,872	10,129,806	22,240,469	188,701,463	68,436,013	493,431,033
" 17.....	243,068,252	10,808,758	22,983,274	189,777,290	64,802,980	471,886,751
" 24.....	239,776,200	14,213,351	22,959,918	183,241,404	61,602,736	497,150,067
Mar. 3..... ..	235,339,412	17,181,130	22,994,086	181,444,378	58,760,145	526,539,959
" 10.....	233,068,274	16,563,237	23,033,237	180,515,881	64,341,802	594,204,912
" 17.....	233,517,378	15,015 242	23,303,057	185,438,707	68,402,764	579,216,509
" 24.....	234,500,518	13,945,651	23,243,406	185,868,245	69,496,033	593,448,864
" 31	237,316,099	11,980,893	23,736,534	188,554,593	72,158,099	529,940,640
Apr. 7.....	242,643,753	11,486,295	24,127,061	189,094 961	71.445.0 5	602,315,748
" 14.....	244,039,839	11,085,129	24,538,981	193,153,409	73,910,370	578,537,153
" 21.....	242 067.063	9,495,463	24,045,857	196,808,278	77,6 2,688	535,834,778
" 28.	245,017,692	8,243,937	25,377,280	202,718,574	80,559,022	545,339,068
May 5.....	243,974,134	10,914,997	25,415,677	210,373,303	81,204,447	603,556,177
" 12	257,621,317	13,970,402	24,693,259	217,552,853	85.040,659	523,093,538
" 19.....	255,690,463	13,595,465	25,159,864	217,427,729	85,710,107	579,842,488
" 26.....	257,969,593	19,736,929	26,223,867	208,977,905	73.889,947	713,575,444
June 2...	250,959,022	21,838,093	26,244,255	198.12 .389	69,188,' 92	713,575,444
" 9..... .	249,588,950	15,821,663	25,967,253	202,503,949	74,628,674	633,656,381
" 16.... ...	247,301,547	11,217,305	25,887,876	202,415,678	79,179,304	613,698,301
" 23.....	248,486,808	8,504,096	26,585,394	201,969,288	80,840,578	696,447,630
" 30...	250,884,168	7,797,213	26,706,622	204,357,272	81,882,640	568,842,490
July 7.....	257,534,833	9,805,266	27,296,580	205,799,611	79,541,688	511,182,914
" 14..	259,183,434	12,451,684	27,404,172	207,160,043	75.541,977	637,655,757
" 21.....	265.965.018	10.860,147	27,579,020	213,049,079	80,524,992	598.705.726
" 28.....	256,612,071	9,701,046	27,249,813	214,582,926	84,705,814	430,394,808
Aug. 4.....	256.808,717	9,448,900	27,311,549	214,156,705	86,235,079	523,226,814
" 11.....	258,262,063	8,424,209	27,523,522	214,232,263	86,861,834	494,810,975
" 18.....	261,951,924	7,545,513	27,796,904	214,310,576	84,800,071	554,655,346
" 25.....	265,901,065	6,884,077	27,958,464	218,119,450	86,283,483	617,950,350
Sept.1.....	265,399,007	6,331,600	27,807,834	225,191,282	92, 22,808	538,764,052
" 8.....	26 ,941,668	7 45 .910	28,506,288	225,107.991	90,194,254	591, 0 ,185
" 15..... .	270,801, 04	7,357 369	29,360,371	¥ 4,844,647	90,773,282	567,299,212
" 22.....	272,177,166	7,662.611	28,770,881	224.394.663	90.428 189	605,290,424
" 29.....	269,807,883	7,643,980	29,218,950	223,336,785	87,826, 21	.....
Oct. 6.....	274,210,161	6,203,695	29.80 .858	¥28,484,780	85,339,679	829,081,759
" 13.....	276 443,219	5,576,002	8 ,176,908	226,9 8,897	83,1 9,423	770,359 9[illegible]
" 20.....	279,135,796	7,371,487	30,415,240	22 .083,853	78,635,469	824,721,93
" 27	274,725,456	7,84 ,239	30,248,437	223,540,572	78,064,925	762,264,041

The Philadelphia Banks returns for the month are as follows:

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
Jan. 2, 1866.....	$17,181,229	$45,941,001	$890,822	$7,226,369	$35,342,306
" 8.....	17,226,320	46,774,150	983,685	7,319,528	36,618,004
" 15.....	17,267,412	47,350,428	1,007,186	7,357,972	36,947,700
" 22.....	17,052.569	47,254,622	1,012,980	7,411,337	36,214,653
" 29.....	16,241,277	47,007,558	1,008,825	7,432,534	35,460,881
Feb. 3.....	16,481,005	47,233,661	1,000,689	7,668.365	34,681,135
" 10.....	16,852,737	47,249,383	996,312	7,819.599	34,464,070
" 17.....	16.777,175	46,981,337	953,207	7,843,002	33,926,542
" 24.....	17,282.602	46,865,592	1,026,408	7,732,070	33,052,252
Mar. 3.....	17,447.635	46,604,752	1,041,392	8,101,049	32,835.094
" 10.....	17,292,534	46,546,878	1,055,694	8,248,100	32,504,502
" 17.....	16.375,608	46,690,788	1,026,068	8,438,184	32,102,427
" 24.....	15,969,814	46,642.150	981,932	8,580,200	32,144.250
" 31.....	15.954,832	46,043,438	990,630	8,666.230	32,257,653
April 7.....	16,622,233	46,028,641	946,282	8,720,270	32,762,280
" 14.....	18,323,759	45,114,699	949,116	8,743,396	34,640,864
" 21.....	18,660,513	45,762,733	936,876	8,761,213	35,448,955
" 28.....	18,949,719	46,832,784	890,241	8,779,166	36,032,982
May 5.....	19,144.660	48,006,654	912,028	8,794,348	36,987,007
" 12	19,646,263	48,236,356	896,741	8,930.420	38,414,588
" 19.....	19.648.232	48,336,567	897,913	8,918.938	37.296,645
" 26.....	19,715,093	48,036,984	867,094	8,988,742	37,078,418
June 2.....	21,154 909	47,564,996	890,121	9,022,553	38,189,566
" 9.....	21,568,085	48,118,897	859,633	9,007,515	38,326,16[illegible]

" 16	20,568,591	48,616,145	897,381	9,219,553	36,972,476
" 23	21,105,316	48,166,814	899,999	9,290,094	36,715,308
" 30	21,455,836	48,266,004	863,454	9,395,475	37,212,979
July 7	20,546,695	48,892,594	867,981	9,431,664	38,275,788
" 14	21,311,668	49,493,405	852,783	9,442,146	37,707,567
" 21	21,312,705	49,009,316	849,770	9,427,361	37,575,560
" 28	20,9 2,874	48,935,067	826,096	9,382,473	37,270,895
Aug. 4	20,393,826	49,682,529	825,978	9,516,724	37,244,084
" 11	20,060,536	49,164,321	835,158	9,543,472	36,639,226
" 18	19,863,685	48,530,454	811,230	9,566,783	36,942,311
" 25	20,41 ,323	48,591,763	807,071	9,575,534	36,025,288
Sept. 1	24,040,254	50,095,890	806,815	9,589 574	41,162,627
" 8	24,184,918	50,320,068	826,345	9,608,410	41,604,903
" 15	24,5 8,358	49,889,015	802,922	9,605,817	41 093,120
" 22	24,906,925	50,787,871	793,395	9,601,273	42,838,971
" 29	24,073,963	51, 37,567	783,024	9,593,497	43,6 3,875
Oct. 6	24, 11,480	51 212,282	769,272	9,631,863	43,800,428
" 1	23,377,073	51,316,490	770,676	9,639,176	43,152,028
" 20	23,831,180	51,474,948	791, 18	9,631,498	43,345,800
" 27	24,140,637	50,973,584	799,652	9,648,655	43,953,737

The footings of the weekly statement of the Boston Banks in some respects show a stronger condition than previous statement, loans having decreased and deposits largely increased. The private deposits now reach $44,694 164, which is the largest amount reported during the present year.

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, $41,900,000.)

	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation—National.	Circulation—State.
January 1	$91,421,477	$801,415	$19,807,300	$38,451,794	$21,497,354	$1,404,721
" 8	92,245,129	1,031,327	19,914,065	41,718,139	21,806,180	1,328,793
" 15	92,959,364	1,029,105	20,438,014	40,939,810	21,946,595	1,273,948
" 22	92,665,111	1,040,114	20,750,698	40,300,6 9	22,034,612	1,215,675
" 29	92,877,783	1,008,013	20,544,330	39,153,816	21,899,318	1,157,848
February 5	94,578,358	805,237	20,568,185	40,426,163	22,325.4 8	1,125,728
" 12	94,083,827	632,591	20,412,589	33,768,019	22,348,638	1,057,323
" 19	95,250,429	508,428	20,418,909	38,494,696	22,602,581	1,033,391
" 26	93,539,000	591,202	20,262,177	36,398,481	22,887,971	1,048,022
March 5	92,990,512	556,856	20,031,968	35,581,876	22,606,835	1,006,719
" 12	90,705,159	628,038	19,905,120	35,297,498	22,730,329	721,809
" 19	91,902,811	606,992	20,470,018	36,696,321	24,018,916	910,740
" 26	91,931,286	513,153	20,918,521	35,887,368	23,019,887	901,626
April 2	92,351,979	532,556	20,761,014	36,697,227	23,087,693	869,329
" 9	92,142,975	487,455	20,334,570	37,426,560	23,266 612	830,069
" 16	91,230,892	457,648	19,902,647	37,606,696	23,695,043	777,198
" 23	86,120,897	411,693	19,309,145	36,946,1 2	22,469,488	744,041
" 30	86,723,001	401,118	19,549,614	38,396,210	22,856,656	744,425
May 7	90,369,569	576,1 0	21,415,716	41,205,276	23 516,330	719,688
" 14	90.328,554	501,013	22,462,522	42,021,976	23,551,579	695,527
" 21	89,634,864	472,172	22,973,509	41,61 ,149	23,195,968	661,519
" 28	91,833,402	436,391	23,658,956	41,631,746	23,722,277	644,658
June 4	92 287,648	503,991	26,148,678	42,902,749	23,679.0 5	609,371
" 11	89,878,993	374,966	25,470,926	42,858,986	22,916,559	480,599
" 18*	87,568,533	371,596	24,426,749	41,992,820	21,845,977	544,941
" 25	94,336,170	323,335	25,019,436	42,587,020	23,633,008	507,371
July 16	96,047,000	453,600	21,610,000	40,4 7,000	24,145,000	413,000
" 23	95,995,866	441,689	22,786,738	40,935 853	24,057,765	401,544
" 30†	95,002,698	368,776	22,242,659	39,7 0,363	23,804,526	355,864
August 6	96,672,749	318,779	22,432,317	40,549,379	24,116,795	380,980
" 13	95,771,749	295,241	21,101,481	39,192,620	24,104,567	302,734
" 20	94,915,075	333,670	20,817,159	38,619,847	24,290,816	368,168
" 27	94,819,253	322,083	2 ,688,693	39,028,518	24,262,817	363,405
Sept. 3	95,387,808	264,863	22,071,251	39,856,550	24 240,925	344,773
" 10	94,873,709	314,204	21,580,730	39,149,497	24,295,875	356,075
" 17	94,788,268	328,830	20,303,416	38,357,208	24,345,328	351,401
" 24	93,825,673	216,771	20,977,954	40,014,189	24,344,545	336,465
Oct. 1	93,676,898	277,506	21,037,880	42,095,214	24,238,047	313,408
" 8	94,708,912	250,688	20,612 639	43,098,520	21 329,124	340,977
" 15	95 039,3 5	240,417	19,801,019	43,330,226	24, 31,751	337,656
" 22	95,464,225	2?9,302	19, 00,205	44,308 573	24,459,495	334 172
" 29	95,381,855	250,716	19,654,336	44,694,104	24,443,519	332,458

* No returns from National Bank of Redemption. † No returns from the Traders' Bank.

No new National banks were organized during the month, but the circulation has been increased, until now, it amounts to $294,636,689. The following comparison shows the progress of the National Banks since May 5, in respect to number, capital, and circulation.

was extreme, and I looked anxiously around for the means of escape. "You ought to be ashamed of yourself to use the gentleman in that sort of way," squeaked a small imp-like person affecting sympathy, and then beginning to renew the shout. "How would you like it yourself," cried another, "if you were a stranger?" shaking his sandy locks and knocking off my hat as he spoke. I made a desperate blow at this offender. It did not take effect, from the expedition in which he retreated, and I had prudence enough to reflect that it would be better to recover my hat than to pursue the enemy. Turning round I saw my unfortunate beaver, or "canister," as it was called by the gentry who had it in their keeping, bounding backwards and forwards between the Caledonian and his clan, and the Jew and his tribe. Covered with perspiration, foaming with rage, and almost expiring from heat and exhaustion, I at last succeeded. I did not dare to reinstate it, but was forced to grasp it with both my hands, in order to save what remained of it. I baffled several snatches, one of which carried away the lining, and was now trying to keep the enemy at bay, afraid again to attack the host opposed to me, but not knowing how to retreat, when a person who had not made himself conspicuous, approached and interferred—"Really you had better go out," at the same time pointing to a door, I had not seen before.

"Comment," says the author of the publication from which we have just quoted, "is unnecessary, and however the practice may be repudiated by the merchant when out of the house, there are few who would not in it, act in a similar manner."

That such a practice could exist upon the Stock Exchange, and that men moving in the highest commercial circle in the capital of a civilized country could so far disgrace themselves as to take part in such a scene (which reminds us of one of those vivid descriptions in the romances of Sir Edward Bulwer Lytton or Eugene Sue, where some unfortunate individual had been tempted or strayed into a den swarming with the ruffian class of society, and having been sadly maltreated, narrowly escapes with his life) seems to us almost incredible, and would lead us to conclude that much iniquity must be committed in the locality daily frequented by those who so dread the presence of strangers. M——.

THE CANTON COMPANY.

A generation of Wall-street frequenters has passed away since the stock of the Canton Company first had a place on the official list, and but few remain on the street who can remember the day when "Canton" was not regularly called at the Board. At that early period, and for many subsequent years, it was one of the leading *fancy* stocks, and regarded by many as having little if any value. Transactions in Canton, however, are now quite limited in comparison to those in which our predecessors took part.

The Canton Company are the owners of a large property adjoining Baltimore. At the formation of the company these lands were vacant

and unproductive. The object of the company was to improve them, and, as settlement increased, make a profit from their transactions.

Those who knew Baltimore twenty or thirty years ago, and who compare the Baltimore of to-day with it, must confess that its progress in wealth and importance has been at least *pari passu* with the country it has made tributary to it. In the meanwhile it has tripled its population, and by means of its railroads and the public spirit which projected them and gave them existence, its industry has been developed, and the city as an industrial centre sustained its position among the leading marts of American commerce. Like all properties located contiguous to large places the real estate of this company has partaken of the prosperity of the metropolis of which it is now a portion—indeed, a very flourishing portion.

We do not know how many acres are held by the company, but there are several thousands. These have been divided up by streets and roads into building plots and farms. Considerable portions have been built upon for residential purposes, and others appropriated to manufactures, among which are several large iron works, brick yards, &c.; and with the increase of these the value of the company's remaining property has been proportionately increased. The company have fastered this process by erecting buildings on their own account, selling them and appropriating the proceeds to further improvements.

The wharf property of the company, being on deep water, is also very valuable and is being rapidly improved. Branches of the great railroads diverging from the city are being constructed, which will contribute largely to the further development of the advantages of Canton as a commercial site. Canton is also connected with the central city by passenger or horse railroad.

About ten years ago the company was re-constructed and the nominal value of the stock of the company, originally $100 per share, was reduced to $20 per share. Of this only $16 25 per share has been paid up. There being 50,000 shares in all, makes the paid up capital of the company $812,500. For several years, however, it has been the policy of the company to buy up their own stock with moneys arising from the sale of lands. In this way and in lieu of dividends 5,000 shares have been purchased and cancelled, thus greatly enhancing the value of the outstanding shares. These operations, which are in the nature of a tontine, have undoubtedly had their influence on the market in so far as they have created a competition between the company and the public for the possession of the company's stock.

The actual value of the stock, however, has been increased solely by the development of the property. The rent roll of the company shows this to have been very rapid, especially for the last three years—in 1863 it was $21,357; in 1864, $26,493; in 1865, $38,316, and in 1866 $46,124. This rent roll, nevertheless, shows only the income from the utilized portion of the company's property. It does not tell us what additional value the progress of improvement has given to the still vacant remaining property.

The total receipts and expenditures of the company for the three years ending May 31, 1866, have been as follows:

	1864.	1865.	1866.
Receipts	$33,691	$52,149	$67,682
Expenditures	29,494	57,080	55,490

The following from the company's balance sheet, shows the financial condition of the company at the close of the years named:

	1863-64.	1864-65.	1965 66.
Stock account	$812,500	$812 500	$812,500
Other accounts	24,291	54,201	65,140
Total	$836,791	$866,701	$877,640

Against which are charged as follows, viz.:

Real estate	$464,430	$338.411	$308,214	Other accounts	$28,263	$35,659	$41,355
Cancelled stock	80,090	107.272	124,922	Cash balance	11,606	6,065	18,258
Annuities	44,260	163,318	260,022	Personal acco'ts	20,898	28,662	37,576
Dividends	99,066	99,066	99,066				
Paying account	88,248	88,248	88,297	Total	$836,791	$866,701	$877,640

These exhibits are certainly very satisfactory. They show that the income of the company is constantly increasing, and the property held by them becoming more and more valuable as time progresses, and improvements take place. Not a single lien or debt of any kind encumbers the property. Its revenue from ground rents alone is now equal to six per cent. on the capital. This, as before stated, is expended in improvements and reduction of the outstanding stock. Under this durible process the property will eventually become a very valuable estate, and fully compensate those stockholders who have comprehended the situation, and have held their shares under all the varying phases of the company's career.

For several months Canton shares have sold at an average of 50, which is three times their original cost. Taking this as an index, the property which cost $812,500, is now valued at two and a-half million.

FINANCES OF CALIFORNIA.

The public debt of California on the first day of July, 1865 (as reported to the Legislature at their biennial session last winter) was as follows:

Description of Indebtedness.	In private hands.	Invested in State Funds.	Total Amount.
Civil bonds of 1857	$3,121,500	$600,000	$,727,500
Civil bonds of 1860	198, 00	.....	198,500
Soldiers' Relief bonds	144,500	69,000	213,500
Soldiers' Bounty Bonds	45,000	.....	45,000
To al Funded Debt	$3,509,500	$675,000	$4,184,500
Warrants outstanding on Capital Fund			18,166
" " on Soldiers' Relief Fund			386,179
" " on Sold ers' Bounty Fund			236,040
" " on Line Officers' Fund			500
" " on Military Fund			61,5 9
Unfunded Scrip due School Fund			31,020
Due Swamp Land Fund			5 ,080
Total funded and floating debt			$4,947,964

From which deduct as follows, viz.:

Balance in General Fund	$153,853	
" in Interest and Sinking funds after paying July interest	86,971	—240,8 3
Net State indebtedness July 1, 1865		$4,734,131

Of the amount ($675,000) held in trust for State Funds $665,000 belong to the School Fund, and $10,000 to the Seminary Fund.

In addition to the debt above reported there are bonds of the State issued under an act (approved May 3, 1852) authorising the State Treasurer to issue bonds for the payment of the expenses of certain expeditions against the Indians, amounting to $38,100, and controller's warrants not converted into bonds $2,150.

The population of the State in 1860 was 379,994, and may now be estimated at 400,000, and hence on this basis the debt as outstanding July 1, 1865, was in the ratio of $12.43 to each head of the population. The assessed valuation of real and personal property, subject to tax in 1865, was $180,484,949. This is equivalent to $38.12 for each dollar of the debt, or in other words the debt is 2⅝ per cent of the aggregate wealth of the people.

The revenue of the State is mainly raised from the property tax, which for the year ending June 30, 1865, amounted to $1,614,492. This, however, was an extraordinary levy made to meet extraordinary services; and by the estimates for the current year not one half the amount stated would be required. It was on this account that the State controller in his report to the Legislature recommended the reduction of the total State taxation from 115 cents to 96 cents on the hundred dollars.

The total receipts from County Treasurers' on account of the property tax and other imposts in the fiscal years 1864-65 were	$2,044,702
Miscellaneous receipts including stamps, bonds issued, interest, &c.	549,653
Total receipts	$2,594,365
Expenditures	2,603,065
Deficit in receipts	$8,700

The progress of the State from 1850 to 1865 as indicated by the assessed valuation of real and personal property therein is shown in the annexed table:

1850	$57,670,689	1855	$103,887,193	1860	$148,193,540
1851	49,231,052	1856	95,007,441	1861	147,811,617
1852	64,579,375	1857	126,059,462	1862	160,369,072
1853	95,335,646	1858	123,955,377	1863	174,104,955
1854	111,191,630	1859	131,060,279	1864	180,484,949

In 1852 the total population, according to the United States Census, was 255,122, and in 1860 it was 379,994, which gives an increase in eight years of 124,872, or nearly 49 per cent. The valuation in 1852 is stated to have been $64,579,375, and in 1860 $148,193,549, an increase of $83,614,165 or 129½ per cent. The wealth possessed by each head in 1852 was $253.13 and in 1860 $389.98, showing an increase of $136.85, or 54.02 per cent. If we assume the present population at 400,000 and the valuation at $200,000,000, neither estimate beyond the probability, we shall find the average wealth of the people to be $500. These calculations show a rate of acquisition seldom if ever equalled even in the manufacturing states of Rhode Island and Massachusetts. It is the best criterion by which to measure the debt-paying ability of a State.

CANVAS vs. STEAM.

The result of this year's race from Foo-choo to London of four clipper ships with the new seasons teas, has again proved, and more signally than on former occasions, that navigation and seamanship, without steam, can perform, with canvas alone, this most lengthy voyage at a rate of speed which only one or two of the steamers have exceeded, but the most of them failed to accomplish. The distance between Foo choo and London is about 15,000 miles.

This distance was run simultaneously by the ships referred to in 98 days, or at an average hourly speed of 6½ knots throughout, direct. The fastest steamer that has attempted this voyage has arrived 20 days before these ships, with what result (as compared with the clippers) to owner of vessel or cargo the future will best prove. From the fact that more than double the freight was paid for the tea by this conveyance, and that it was thus earlier delivered, it is fair to believe that, if the conveyance fulfilled expectations, there might be a mutual advantage. But there seems to be a serious impression both in London and the Clyde that although steam may succeed in lessening somewhat the time of transit of the goods, the disparity of rates of freight between sailing ships and steamers requisite to pay the latter, being entirely disproportionate to their relative performances, cannot ensure a corresponding advantage to the merchant, and therefore the question of canvas or steam in the tea trade between China and London will be answered, at least for a long time to come, in favor of the extreme sailing ships.

The magnitude and importance of this staple article of commerce, which has now become almost a necessary of daily life, render it a matter of great moment to have the transit from the place of production to the great depot of consumption effected as quickly, safely, and regularly as possible. Before steam threatened to rival the good old merchantmen in maintaining our commercial relations with distant lands in the exchange of this and other staples of trade for our own manufactures, the ships were constructed much more with a view to capacity for cargo than to attain great speed. But since the advent of steam, and now that vessels so propelled have proved themselves rapid, safe, and regular means of conveyance, the supporters of canvas have constructed their ships of extremely clipper model, many of which—in the long voyages at any rate—but particularly in the China trade, have proved by their swiftness very formidable rivals to steam. The merchant, whose property is conveyed, being deeply interested, very heartily must promote an improvement where the uncertainties of calms and storms are dispelled by application of a motive power independent of the wind, and the course, unless the sailing ship can be made in some way equal to the task of competing with a chance of success against the steamer, the preference will be awarded to the latter.

In communication with adjacent countries there is no need to dispute the supremacy of steam. But in the long voyages—in which, naturally enough, from success in the short ones, the idea of similar success has induced the attempt—it is a matter of considerable doubt whether it is at all practicable, not only on account of the many obstacles (unknown in short voyages) which meet the projectors, but chiefly from the unequal

battle they must fight with the extreme clippers, which are yet the favorite means of conveyance, simply because—very different from the old merchantmen—they have proved themselves to be speedy, regular, and reliable carriers. This subject has been investigated by many owners, both in England and China, who are engaged in the trade, and although many have, with commendable enterprise, made bold endeavors to gain that reliable position which has been awarded to steam in the trans-atlantic and other successful short trades, the results both to owners of cargo and steamer, in attempting the China trade, have been, to say the least, unsatisfactory. This can easily be conceived. The obvious difficulty that meets the projectors of steam in pursuing successfully so long a voyage, is the cost of maintaining by its power a rate of speed noticeably greater than that of the extreme sailing clippers, or, in other words, accomplishing the voyage in a space of time so much shorter than they can, that it will compensate for the extra rate of freight which steamers must obtain in order to pay. Next to the cost of producing this power, a similarly serious difficulty requiring similar compensation, meets the projector, in the necessity of limiting the cargo capacity of the steamer in order to carry the engines and fuel. And besides these serious considerations, the route between England and China being naturally in favor of sailing ships, their course lying for the greatest part of the way through the regions of the trade-winds, where nothing is equal to canvas, steamers come to compete with them on terms of inequality very much in favor of the latter. Even on those parts of the voyage, the belts of calms and variable winds which bound the trades and which of old, distressed the mariner in his lumbersome East Indiaman by tedious delay—where steam admittedly has the advantage of canvas—the advocates of the latter have so successfully modelled their ships, and spread on their lofty masts such press of sail, that the lightest airs, unfelt by common ships, in a very short time waft these clippers on their way. Thus the gain by the steamer in calms is of comparatively no account with the certain advantage this exceptional sort of ship has in winds.

Looking at the question of canvas vs. steam from another point of view, and assuming that steam could effect the transit in twenty days less than a sailing ship, on the voyage from Foochoo to London, and apart from the consideration of the rate of freight that would enable the owner to maintain such a vessel, what would the advantage to the merchant be? This economy in time, by such a mode of conveyance, would save the merchant interest, and probably insurance on his goods, to the extent perhaps of a farthing per pound, besides giving him by early delivery the speculative chance of another farthing, or perhaps ½ l. per pound. These, together amounting to say ¾d., might enable him to pay a fair share of that to the steamship owner—beyond the rates paid by sailing vessels. One-half penny per pound is about 35s. per ton of fifty cubic feet of tea, which is an advance in rate of freight beyond which the merchant must feel unwilling to go as long as the clippers keep up the speed which they have, latterly especially, ensured. Beyond that, it is not at all probable that the steamship owner can calculate, unless in exceptional cases, where such earlier delivery prospectively promises a better result to the merchant, and the latter can afford thus to encourage this comparatively expensive means of transit. But it is clear to the most casual inquirer into this question

that until steam can compete with canvas on equal terms, the preference will undoubtedly be awarded to the latter.

The reasons already mentioned—namely, the cost of fuel and the space it occupies in attempting this long voyage—are the (at present) insuperable difficulties to contend with, and which have been more or less the cause of so many failures in the endeavor of the promoters of steam to get a place firmly in this trade. And until these serious hindrances can be removed by some invention to economise fuel, every succeeding attempt must result as unsatisfactorily as those which have gone before. Against every new thing there naturally exists prejudice. And had steam not had a fair trial we should have been disposed to have viewed the prevailing feeling, which in China particularly is very obvious and common, against the steamers, as simply want of honest judgment. But from the comparison we have endeavored to make in the preceding remarks, it is clear that there are actual grounds of distrust in steamers, and plain reasons why sailing clippers in this trade should be preferred and substantially supported.

While we come to this conclusion on the subject of canvas vs. steam, it cannot be denied that the success of the sailing ship has been much owing to the incentive produced by competition with steam. No doubt while many unsuccessful attempts were being made the shipowner saw the necessity to meet the advancing spirit of the age, and struggle for the supremacy of sail. For from year to year the ships have been constructed of always finer model, dimensions being adopted where capacity was sacrificed for speed. In fact (of late more especially) the extreme clippers in this employment have been built with lines that more resemble those of our pleasure yachts than that of ships for carrying merchandise. So much has this been the case that these ships are renowned throughout the world for their remarkable sailing powers, and are peculiarly the pride and property of the China tea trade.

TRADE OF GREAT BRITAIN AND THE UNITED STATES.

COTTON, BREADSTUFFS, PROVISIONS, ETC.

Notwithstanding the unsatisfactory position of affairs in England, the Board of Trade returns for the month of September, and the nine months ending September 30, show very satisfactory results as compared with previous years. Both in imports and exports a large business has been done, and as prices are higher, as regards many articles, than in former years, the value of the articles imported or exported shows a considerable increase. During the nine months ending September 30, the declared value of the total exports of British and Irish produce and manufactures was £141,936,898, against £119,717,377 last year, and £123,404,161 in 1864. For the month of September the declared value was £16,671,078, against £17,316,681 in 1865, and £14,687,942 in 1864. For each month, from January to September, inclusive, in each of the last three years, the figures stand thus:

	1864. £	1865. £	1866. £		1864. £	1865. £	1866. £
Jan.	10,413,586	10,489,379	14,354,748	July	14,394,364	14,118,410	14,957,834
Feb.	12,696,121	11,376,214	15,116,063	Aug.	16,274,269	14,158,648	17,450,156
Mar.	13,555,674	13,770,154	17,520,354	Sept.	14,687,942	17,316,681	16,671,078
April	13,225,039	12,071,111	15,366,414				
May	14,176,640	13,194,7 8	15,870,131	Total	123,404,161	119,717,377	141,936,898
June	13,978,526	13,227,062	14,680,120				

The imports in August were larger than in the previous month, and within £60,000 of the corresponding month last year. The total value of the imports for the eight months is £50,000,000 greater than in the corresponding period in 1865. This large increase is chiefly to be accounted for by the greatly-augmented value of the cotton imported, viz.: £58,000,000, against nearly £30,000,000, and by the increase in the value of the wheat and flour imported, viz.: £11,600,000, against £6,400,000 last year. The computed real value of the imports into Great Britain from all quarters for the eight months was as follows:

	1864. £	1865. £	1866. £		1864. £	1865. £	1866. £
Jan.	7,530,356	6,398,922	9,847,564	June	21,498,185	15,407,688	23,242,701
Feb.	13,214,541	12,894,252	16,610,159	July	20,458,253	18,964,190	19,597,929
Mar.	16,396,928	13,005,394	19,601,204	Aug.	21,944,048	20,997,691	20,940,308
Apr.	17,587,565	13,078,755	22,455,968				
May	22,392,601	14,595,334	23,224,762	Total	141,012,477	115,302,753	155,811,590

With regard to the United States, it appears that the value of British and Irish produce exported in August was £2,554,506, against £1,636,-223 last year, and £735,803 in 1864. For the eight months, the exports were of the following declared value:

	1864.	1865.	1866.
To Atlantic ports, Northern	£13,404,761	£9,074,733	£18,553,884
" Southern	78,350	75,182	760,762
Pacific ports	661,467	351,163	558,799
Total	£14,144,578	£9,483,084	£19,893,445

COTTON.

The principal imports into Great Britain are now from British India, the supplies received from this country being comparatively trifling. In September the imports reached a total of 980,713 cwts., of which 724,712 cwts. were from the East Indies, and only 161,679 cwts. from the United States. The total from this country for the year, however, is nearly 4,000,000 cwts., out of 9,790,314 cwts. It is fully anticipated that, as the crop in Egypt is of more than average extent, increased supplies of cotton will shortly be received from that quarter. The particulars of imports of this staple are subjoined:

IMPORTS OF COTTON INTO GREAT BRITAIN IN NINE MONTHS.

	1864.	1865.	1866.
From United States cwts	116,243	182,000	3,995,679
Bahamas and Bermudas	253,549	158,604	6,413
Mexico	170,337	290,433	3,145
Brazil	255,723	327,721	519,944
Turkey	150,705	175,227	84,300
Egypt	284,433	1,106,271	772,553
British India	2,660,140	2,581,409	4,163,799
China	571,332	201,555	33,397
Other countries	229,659	396,880	211,094
Total	5,233,211	5,460,070	9,790,314

The exports of cotton from Great Britain in September were rather less than in the corresponding month last year; but for the nine months there is a balance in favor of this year of about 680,000 cwts. In September the shipments were 382,908 cwts., against 405,732 cwts. in 1865, and 188,833 cwts. in 1864. For the nine months the following are the figures:

EXPORTS OF COTTON FROM GREAT BRITAIN IN NINE MONTHS.

	1864.	1865.	1866.
To Russia.....cwts	211,673	222,551	306,845
Prussia	11,445	33,742	42,786
Hanover	42,265	14,661	5,618
Hanse Towns	403,942	510,927	617,935
Holland	345,490	306,771	412,473
Other Countries	700,934	903,074	1,277,854
Total	1,715,749	1,991,726	2,670,515

The computed real value of the cotton imported into Great Britain in the eight months ending August 31 was as follows:

	1864.	1865.	1866.
From United States.....cwts	£21,485,788	£284,114	£29,349 689
Bahamas and Bermudas	2,960,704	1,379,306	46,816
Mexico	2,167,559	2,315,909	28,561
Brazil	3,105,877	2,362,072	3,973,456
Turkey	1,542,191	838,5 6	515,714
Egypt	10,892,499	8,094,171	6,626,740
British India	21,161,406	10,944,094	16,139,879
China	4,688,288	1,449,586	78,000
Other countries	2,499,883	2,381,720	1,445,679
Total	£50,504,190	£39,944,508	£ 8,304,844

BREADSTUFFS.

The wheat trade in England has now assumed a position of great importance to ourselves. At the latest date, wheat was about 12s. per quarter dearer than in 1865, and as importations from France had almost ceased, whilst Prussia was sending very moderate supplies of produce to the London market, the trade, though quieter than in previous weeks, was characterized by considerable firmness. The arrivals of wheat, however, at ports on the east coast had been large, chiefly from Russia, and rather considerable supplies of flour, of good quality, had been received from Moscow *via* St. Petersburg and Cronstadt. It was expected that previously to the closing of navigation in the Baltic large supplies of Russian, and moderate supplies of Prussian, wheat would be hurried forward. With regard to the French crop, there is certainly a deficiency from the recent abundant years. In some quarters it is said that France will require a very large supply of wheat from abroad; but from trustworthy sources it appears that the deficiency is greatly overstated. The French are certainly taking supplies of wheat at English ports; but it must be borne in mind that as the French crop is deficient in quality, there is the greater necessity to buy fine foreign wheats for seeds; hence, French buyers have made more important purchases for this purpose than customary. A few parcels of wheat and flour continue to be received at English, from French ports, and although unimportant in extent, serve to indicate that there is some exaggeration in the reports

current in England of a very deficient French harvest. In Europe the finest crop appears to be in Russia, and as from the high prices ruling here, the English have, for the present, ceased to anticipate large supplies from this port. Much attention is naturally directed to the crop in Russia and on the Danube. In September, 1866, the import of wheat into Great Britain and Ireland was only 1,192,064 cwts., against 2,108,966 cwts. last year, and 2,665,799 cwts. in 1864. The principal import was from Russia, viz.: 687,431 cwts., and from Prussia, viz.: 229,233 cwts. From France only 15,327 cwts. were imported, and from the United States only 42,260, cwts. The import of flour was confined to 103,965 cwts., viz.: 21,843 cwts. from the Hanse Towns, 29,666 cwts. from France, 13,847 cwts. United States, 11,054 cwts. British North America, and 27,605 cwts. from other countries. The following figures show the imports of wheat, flour and Indian corn into Great Britain in nine months:

WHEAT.

	1864.	1865.	1866.
From Russia.....cwts	2,825,463	5,083,641	5,297,837
Prussia	3,616,145	3,757,907	3,127,739
Denmark	629,498	404,615	389,497
Schleswig, Holstein, & Lauenburg	223,558	197,024	147,223
Mecklenburg	466,392	405,676	573,828
Hanse Towns	465,617	357,602	659,434
France	481,073	1,037,672	3,320,351
Turkey, Wallachia, and Moldavia	377,646	483,770	357,343
Egypt	366,840	10,063	14,080
United States	7,100,042	654,219	388,010
British North America	824,506	302,393	8,789
Other Countries	346,203	796,865	2,497,303
Total	17,723,333	13,674,439	16,721,363
Indian corn	3,086,560	4,047,717	12,043,628

FLOUR.

	1864.	1865.	1866.
From Hanse Towns.....cwts	248,293	173,971	208,075
France	1,506,393	1,75 ,149	3,108,406
United States	1,631,103	214,721	206,898
British North America	356,655	129,183	96,833
Other Countries	87,454	194,276	196,419
Total	3,811,998	2,423,300	3,741,613

PROVISIONS.

Provisions of all kinds are selling at very high rates, and there are still no signs of an abatement in the quotations. The arrivals of butter have increased, and enormous quantities of eggs have been received at British ports. Lard, which during a great part of the year has sold at high prices, has been imported much more freely, and at latest date the quotations were lower. The imports of provisions into Great Britain in the nine months ending September 30, were as follows:

	1864.	1865.	1866.
Bacon and hams, cwts	937,994	553,734	561,309
Beef, salt, cwts	250,028	175,833	153,594
Pork, salt, cwts	170,771	13 ,907	149,120
Butter, cwts	613,713	747,748	787,233
Cheese, cwts	553,186	572,740	520,780
Eggs, number	272,050,560	296,428,920	360,247,440
Lard, cwts	165,573	93,304	219,369

EXPORTS OF BRITISH AND IRISH PRODUCE AND MANUFACTURES.

Annexed was the declared value of the exports of leading articles to this country, during the nine months ending Sept. 30, compared with the two previous years:

	1864.	1865.	1866.
Alkali	£294,919	£304,293	£702,145
Beer and ale	36,373	33,061	52,707
Coals	105,376	85,716	70,982
COTTON MANUFACTURES—			
Piece goods	1,556,375	1,322,546	2,582,685
Thread	173,935	104,649	270,805
Earthenware and porcelain	330,382	290,597	579,389
Haberdashery and millinery	734,178	595,866	973,056
HARDWARES AND CUTLERY—			
Knives, forks, &c.	100,309	97,699	234,833
Anvils, vices, &c.	72,846	61,478	75,790
Manufactures of German silver, &c.	220,723	199,759	543,268
LINEN MANUFACTURES—			
Piece goods	2,052,699	2,121,809	3,117,268
Thread	161,392	103,256	183,179
METALS—			
Iron—Pig, &c.	206,194	97,510	218,061
Bar, &c.	673,216	124,682	418,887
Railroad	781,226	298,409	571,222
Castings	13,813	3,492	15,549
Hoops, sheets and boiler plates	208,948	58,897	245,161
Wrought	215,735	103,409	163,446
Steel—Unwrought	414,015	220,104	434,983
Copper, wrought	13,017	22,639	34,952
Lead, pig	206,562	71,994	133,314
Tin plates	590,102	671,993	1,139,253
Oilseed	46,692	21,788	282,850
Salt	29,609	25,542	86,974
SILK MANUFACTURES—			
Broad piece goods	70,875	50,051	109,708
Handkerchiefs	17,196	1,372	7,810
Ribbons of silk only	27,833	23,195	31,548
Other articles of silk only	74,921	58,513	87,848
Other articles mixed with other materials	36,693	30,177	68,758
Spirits, British	10,483	7,561	14,720
Wool	37,243	11,682	12,100
WOOLEN AND WORSTED MANUFACTURES—			
Cloths of all kinds	687,077	354,893	792,232
Carpets and druggets	269,619	205,415	631,091
Shawls, rugs, &c.	60,580	21,686	39,501
Worsted stuffs of wool only, and of wool mixed	1,958,600	2,421 201	3,011,041

SHIPPING.

With regard to shipping, the following are the particulars, so far as this country is concerned:

	Number.	Tonnage.
American vessels entered inwards in September, 1864	62	62,083
do do do do do 1865	34	34,838
do do do do do 1866	28	31,989
do do in nine months ending Sept. 30, 1864	349	333,022
do do do do do 1865	229	247,730
do do do do do 1866	242	256,894
American vessels cleared in September, 1864	35	35,173
do do do do 1865	46	46,702
do do do do 1866	31	34,072
do do in nine months ending Sept. 30, 1864	396	353,515
do do do do do 1865	256	261,466
do do do do do 1866	413	410,771
Vessels of all flags entered from American ports in Sep., 1864	149	111,176
do do do do 1865	55	58,943
do do do do 1866	107	9 ,991
do do in nine months ending Sept. 30, 1864	918	836,541
do do do do 1865	499	462,880
do do do do 1866	1,209	1,136,472
Cleared in September, 1864	74	84,770
do do 1865	133	135,631
do do 1866	111	119,845
Cleared in nine months ending Sept. 30, 1864	899	905,089
do do do do 1865	669	759,738
do do do do 1866	1,073	1,177,931

ANALYSES OF RAILROAD REPORTS. No. 16.

HARTFORD AND NEW HAVEN RAILROAD.

This is the middle link in the great inland route of travel between New York and Boston, connecting at New Haven with the New York and New Haven Railroad, and at Springfield with the Western Railroad. Its constituents are as follows:

	Miles.
Main line—New Haven, Ct., to Springfield, Mass.	61.33
Branch line—Berlin Junction to Middletown	10.75
do do Junction to Hartford City	0.87
Total length of road owned by Company	73.00
New Britain and Middletown Railroad (recently purchased)	2.47
Length of second track and sidings	60. 2

The Hartford and New Haven Railroad Company was chartered by the Legislature of Connecticut in May, 1833 and authorized to construct a railroad from Hartford to New Haven, 36¼ miles. About one-half this distance was completed and opened for public use in 1838, and the whole in the next year. The Massachusetts portion of the line (5.87 miles) was chartered April 5, 1839, under the title of the Hartford and Springfield Railroad, but the road was constructed under special agreement by the Connecticut Company; and in 1847 the two companies were consolidated. This portion of the existing line was finished early in December, 1844. The branch to Middletown, 9¾ miles, was chartered in 1844, and opened in March, 1850. The extension to the Connecticut River, about a mile in length, was made in 1860. The New Britain and Middletown Railroad was built by a separate organization, but chiefly with capital supplied by the H. and N. H. Company. Since the close of the last fiscal year, however, this road has been purchased by the trustees, who hold it temporarily for the H. and N. H. Company, to be transferred on the settlement of accounts between the two companies.

BUSINESS OF THE ROAD.

The returns relating to the business of the line are meagre. So far as they relate to the mileage of trains and the amount of passenger and freight traffic, the following is the best statement we can prepare:

Fiscal Years.	Mileage of engines hauling trains.				Pass'gers carried.	Tonnage carried.
	Pass'ger.	Freight.	Other.	Total.		
1856-57	224,585	88,052	16,598	335,235	545,837	....
1857-58	217,166	90,796	15,188	331,150	462,534	....
1858-59	219,500	92,563	12,700	314,763	486,772	....
1859-60	218,314	100,344	6,285	325,950	544,975	....
1860-61	234,614	86,484	2,253	323,491	499,838	....
1 61-62	256,694	83,378	2,288	347,460	511,451	190,270
1862-63	263,905	117,631	22,771	404,297	663,980	2 2,639
1863-64	290,102	123,737	34,406	458,245	856,365	280,607
1864-65	298,178	116,112	37,948	452,238	924,501	238,263
1865-66	295,394	161,928	40,080	498,003	929,457	302,921

This statement shows that both passenger and freight traffic has nearly doubled during the past five years, and that since the close of the war the

business of the road has increased at a more rapid rate than during its progress, when the conveyance of soldiers and war material was a leading element in its business.

OPERATING ACCOUNTS—EARNINGS, EXPENSES, &c.

The gross earnings, operating expenses and profits of transportation yearly for the ten years ending August 31, 1866, are shown in the annexed statement:

Fiscal years.	Gross Earnings— Pasenger.	Freight.	Other.	Total.	Operating expenses.	Earnings less exp.
1856-57	$455,085 65	$274,662 94	$39,867 01	$769,065 60	$372,807 67	$396,257 93
1857-58	371,906 62	215,537 06	40,781 57	628,845 25	306,854 91	321,990 34
1858-59	397,567 76	263,713 09	42,179 44	723,460 29	342,193 45	381,266 84
1859-60	428,042 30	320,853 53	41,640 93	790,536 76	388,731 46	401,805 30
1860-61	405,335 00	262,169 00	45,372 00	712,876 00	358,740 00	354,136 00
1861-62	413,452 18	2 2,596 54	42,352 08	747,300 80	357,001 92	390,298 88
1862-63	557,906 19	354,509 87	46,043 35	958,450 41	451,143 26	507,316 15
1863-64	787,626 65	457,110 09	47,570 21	1,292,306 95	719,708 36	572,598 59
1864-65	944,627 39	456,742 62	58,341 30	1,459,711 31	912,377 07	547,334 24
1865-66	909,352 21	630,911 69	51,540 23	1,591,804 13	958,321 53	633,482 61

Taxes, State and National, are not included in the operating expenses as given above, but will be found noted in the income account.

INCOME ACCOUNT—RECEIPTS, DISBURSEMENTS, &c.

The following statement exhibits the total financial operations of the company yearly for the five years ending August 31, 1866:

	1861-62.	1862-63.	1863-64.	1864-65.	1865-66.
	$	$	$	$	$
Bal. from prev. year	123,241 13	157,444 27	187,440 38	69,203 66	137,188 29
Income from road	747,300 80	958,459 41	1,292,306 95	1,459,711 31	1,591,804 13
Dividend Tomlinson Bridge Co	8,850 00	.....	.....	.....	.....
Sale of stock	.....	.....	.....	291,150 00	14,660 00
Sales of property, &c	395 00	275 00	5,956 33	659 00	240 00
Debts due Co. dec'd	.... .	.....	.....	9,903 88	9,902 81
Total resources	879,787 43	1,116,178 68	1,485,705 66	1,830,632 96	1,757,745 23
Disbursements	722,343 16	928,738 30	1,416,502 00	1,693,494 67	1,641,752 47
Cash balance	157,444 27	187,440 48	69,203 66	137,138 29	115,992 76

The disbursements were distributed as follows:

Opera'g and repairs	368,976 69	470,943 00	722,950 07	947,991 04	974,568 51
Balance of interest	52,910 99	49,548 65	50,337 69	52,996 99	52,459 98
Dividends on stocks	248,906 00	308,480 00	400,057 50	337,437 50	355,022 00
Real estate	... ..	11,849 72	6,859 39	13,567 36	40,157 25
New works	9,458 59	80,026 23	.. ..	148,337 06	69,335 19
Steamboat "Orient"	.....	.....	.....	62,058 15	4,313 05
Sundries	.....	8,241 95	.....	6,300 00	.....
Debts due Co. inc'd	42,098 89	3,774 40	151,368 23	.....	.....
State and U. S. taxes	... ..	45,913 35	64,935 12	133,846 55	121,905 06
Total disbursem'ts	722,343 16	928,738 30	1,416,502 00	1,693,494 67	1,641,752 47

The new works in 1864–65 were the Connecticut Bridge and in 1865–66, on account of the New Britain & Middletown Railroad. Besides the cash dividend there was distributed in October, 1864, a stock dividend of 20 per centum.

ABSTRACT OF GENERAL LEDGER.

The financial condition of the Company at the close of each of the last

ten years as given on the General Ledger is exhibited in the following statement:

Close of Year.	Capital Stock.	Bonded Debt.	Contingent & Reserve Funds.	Profit& Loss.	Dividends unpaid.	Debts by Co.	Total Amount.
1856-57	$2,350,000	$944,000	$242,864	$233,335	$4,494	$9,405	$3,773,598
1857-58	2,350,000	964,000	367,049	145,851	4,330	2,047	3,833,297
1858-59	2,350,000	964,000	393,400	206,569	5,382	11,081	3,932,432
1859-60	2,350,000	936,000	494, 69	229,202	5,119	8,820	4,013,510
1860-61	2,350,000	927,000	582,037	87,439	14,354	13,356	3,975,097
1861-62	2,350,000	927,000	608,725	161,188	12,196	4,156	4,063,215
1862-63	2,350,000	927,000	667,629	200 354	9,216	26,863	4,181,055
1863-64	2,350 000	927,000	712,802	249,999	8,659	31,748	4,280,209
1864-65	3,000,000	927,000	413,901	211,410	8,092	88,930	4,654,333
1865-66	3,000,000	927,000	540,311	194,757	13,000	119,497	4,794,565

Against the above are charged as follows:

Close of Year.	Main Line.	Middle-town Ext'n.	Real Estate.	Rolling Stock.	Ma-terial & Tools.	Stocks &b'nds.	Debts due & adv'g.	Bridges and Steamb't.	Cash on hand
	$	$	$	$	$	$	$	$	$
1856-57	3,074,742	....	62,728	254,000	129,793	102,889	56,968	.....	92,478
1857-58	3,105,046	.....	62,728	254,000	113,550	102,889	74.022	.....	121,033
1858-59	3,108, 19	.....	62,728	254,000	132,508	102,889	115,102	.....	157,192
1859-60	3,113,446	.....	62,728	254,000	121,205	102,889	149,804	.....	204,338
1860-61	3,119,373	25,590	62,428	254,000	122,703	101,889	163,858	.....	123,942
1861-62	3,123,616	25,977	62,253	254,000	135,677	102,889	196,359	.....	157,444
1862-63	3,158,645	27,6 4	73,787	254,000	155,476	102,889	221,154	.....	187,440
1863-64	3,158,645	27,683	74,631	254,000	158,719	139,889	397,38	.....	69,204
1864-65	3,129,017	27,683	87,590	245,000	195,883	139,889	332,923	360,180	137,138
1865-66	3,129,047	27,683	127,507	254,000	212,130	168,889	3:5,328	364,498	115,998

The capital stock of the Company previous to the *pro rata* distribution of stock to the shareholders in October, 1864, consisted of 23,500 shares

at par equal to	$2,350,000
That distribution absorbed (29 shares in fractional rights having been paid for in cash) 4,671 shares	467,100
Which made the capital 28 171 shares, equal to	$2,817,100
Sold (at an average of 243@244) 337 shares, equal to	33,700
Sold to stockholders (at $150) 2,492 shares	149,200
Present amount of Capital Stock, 30,000 shares	$3,000,000
The proceeds of the sales of Stock was	305,810

The original amount of bonds was $1,000,000 but only $964,000 were issued, and of these $37,000 were re-purchased in 1860-61, leaving the amount outstanding $927,000. These bonds are dated January 1, 1853, and payable January 1, 1883; interest semi-annually in February and August.

The Contingent Fund amounts to $150,000; the reserved fund varies yearly according to its increase or decrease.

GENERAL REVIEW—FROM 1838 TO 1866.

In the following table we give the cost of the road at the close of each fiscal year since its first section was opened, in 1838; also the length of road operated, and the earnings, cost of operating, and the net earnings for each year, and the amount and rate paid in dividends:

Fiscal year.	Cost of road, &c.	Miles of road.	Gross earn-ings.	Operat'g ex-penses.	Net earn-ings.	Dividends— Am't.	Rate.
1838-39	$739,606	18.13	$31,933	$11,500	$20,433	.....	..
1839-40	851,121	35.22	25,147	23,152	41,995	.....	..
1840-41	866,336	36.23	91,305	29,270	62,035	$24,000	3
1841-42	960,963	36.33	90,760	30,429	60,331	28,000	4

1842-43	969,049	36.22	89,294	32,806	56,486	27,000	3
1843-44	1,188,921	36.22	99,632	22,733	66,899	40,000	4
1844-45	1,631,720	61.75	168,334	62,712	121,122	72,000	6
1845-46	1,690,260	61.75	228,611	89,167	139,424	86,955	7
1846-47	2,109,895	61 75	324,725	130,426	194,299	111,060	8
1847-48	2,354,813	61.65	450,212	145,018	284,544	136,000	8
1848-49	2,405,313	61.75	432,808	142,401	290,402	160,000	8
1849-50	2,681,541	72.01	490,430	196,454	294.476	235,000	10
1850-51	2,742,245	72.01	556,004	235,011	3:0,993	352,500	15
185:-52	2,905,589	72.01	600,406	268,185	332.223	235,000	10
1852-53	3,164,832	72.01	629,528	304,180	335,348	235,000	10
1853-54	3,295,636	72 01	757.951	399,060	358,891	2 5,000	10
1854-55	3,318,952	72.01	980,919	373,113	357,799	235,000	10
1855-56	3,328,377	72.01	730,794	393,555	337,239	352,500	15
1856-57	3,328,742	72.01	869,066	372,808	396,258	235 000	10
1857-58	3,359,046	7 .01	6:8,845	306,855	321,990	235,000	10
1858-59	3,362,019	72.01	723,4 0	342,193	381,267	235,000	10
1859-60	3,372,446	73.00	790,537	388,732	401,805	235,000	10
1860-61	3,398,968	73.00	712,876	358,740	354,136	329,000	14
1861-62	3,408,593	73.00	747,301	357,002	390,299	245,908	10
1862-63	3,440.309	73.00	958,459	497,056	461,403	308,480	12
1863-64	3,440,328	73.00	1,292,307	684,644	507,663	400,057	16
1864-65	3,410,309	73.00	1,459,711	1,046,188	413,528	327,487	12
1865-66	3,410,339	73.00	1,591,804	1,080,126	511,678	355,092	12

The operating expenses for the last four years include the State and national taxes, as follows: In 1862–63, $45,913; in 1863–64, $64,935; in 1864-65, $133,806, and in 1865-66 $121,805.

PROPORTIONAL DEDUCTIONS.

The following table shows the cost of the road per mile, the gross earnings, operating expenses, and profits (net earnings) per mile, the ratio of expenses to earnings, and of profits to cost of road, &c., for each of the ten years ending August 31, 1866:

Fiscal years.	Cost of road per mile.	Amount per mile. Gross earnings.	Oper'g expenses.	Profits (net earn'gs.	Exps. to earnings, p. c.	Profits to cost of road.	Profits to stock and bonds.	Rate of div'd.
1856-57	$46,282	$10,681	$5,178	$5,503	48.65	11.90	12.09	10
1857-58	46,653	8,734	4,962	4,472	48.80	9.59	9.82	10
1858-59	46,694	10,048	4,752	5,296	47.30	11.34	11.62	10
1859-60	46,198	10,829	5,325	5,504	49.17	11.91	12.26	10
1860-61	46,561	9,765	4,914	4,851	50.25	10.42	10.81	14
1861-62	46,693	10,287	4,890	5,3:7	47.91	11.45	11.91	10
1862-63	47,127	13,129	6,809	6,320	51.86	13.41	14.08	12
1863-64	47,1:8	17,703	9,379	8,324	52.69	14.76	15.49	16
1864-65	46,716	19,996	14,331	5,665	71.67	12.12	10.53	12
1865-66	46,716	21,805	14,796	7,0.9	67.85	15.01	13.03	12

The Hartford and New Haven Railroad commenced paying dividends in 1840–41, and in the twenty-six years since elapsed has paid $5,477,899, or an average of 9.5 per cent. per annum on the current capital. Applying the same sum to the present stock ($3,000,000) it gives a little more than 7 per cent. per annum for the same term of years. This is a record probably unexampled in the history of railroad finance, and is certainly worthy of honorable mention. The lowest rate of net earnings to stock and bonds within the last ten years was in 1857–58 (the panic year), and then it was 9.82 per cent., which afforded, after paying 6 per cent. interest on bonds, to the amount of $927,000, a dividend of 10 per cent. (the lowest paid since 1850), with a liberal surplus to credit of company. These calculations do not include the stock distribution in October, 1864, when the stockholders received 20 per cent. on stock worth at that time at least double its par value. This stock is selling now on its increased capital at 175@180. It is so seldom, however, on the market that we find it impossible to give the table of monthly fluctuations usually attached to our analyses.

VIRGINIA CENTRAL RAILROAD:

The Virginia Central Railroad (including the Blue Ridge Railroad, 16.81 miles) extends from Richmond to Covington, 205 miles; but that portion beyond Jackson's River, 10 miles, has not been brought into use since the war.

The earnings and expenses of operating this road for the year ending Sept. 30, 1866, are shown in the following statement:

EARNINGS.		EXPENSES.	
Passenger	$247,625 43	Transportation	$149,415 55
Freight	196,184 96	Repairs of engines & cars	53,235 97
Express	26,336 11	" of shops and tools	2,510 00
U. S. Mail	15,298 48	" of road & buildings	127,343 70
Miscellaneous	985 00	Salaries	12,016 68
Rent of real estate	1,129 12	Taxes	20,552 30
		Insurance	2,071 50
Total	$487,449 10	Repairs on real estate	177 32
	367,313 02		
		Total	$367,313 02
Balance	$120,136 08		

—net earnings, which were more than expended in extraordinary repairs, &c., viz., $260,337 13, making the total expenses $627,650 15, or $140,201 05 more than the receipts.

The following table compares the freight business of 1866 with that before the war, the latter being based on the average of the three years 1858–60:

	1858–60.	1866.	Decrease.
Tonnage carried westward	32,053.09	15,468.08	52 per cent.
" " eastward	32,216.94	21,399 89	33 "
Tonnage carried east and west	64,270.03	36,867.97	43 "

Included in the tonnage of 1858–60 are 5,777.74 tons of guano and 4,727.15 tons of plaster. The same commodities in 1866 amounted to only 1,122.14 and 1,492 tons respectively. The average amount of tobacco carried in the first period was 8,363 hogsheads against 1,359 in 1866. In 1858 the receipts per ton per mile were in 1858 6.4 cents, in 1859 6.63 cents, and in 1860 6.4 cents—average 6.36 cents. In 1866 the receipts were 6½ cents per ton per mile. This shows a very small advance over the old specie charge of 1858–60.

The number of passengers carried westward was 59,003, and eastward 60,033—total 119,036. The mileage made by these passengers was 6,769,756 miles, at an average of 4.17 cents per mile, against 4.29 cents in 1860. The mileage in 1860 was 5,769,464. The return for 1866 does not include passengers carried on government account.

The locomotives and cars are reported as being generally in fair order. The addition to the motive power since last year has been three engines, acquired by purchase, and two engines which had been in use on other roads during the war. Four passenger and four baggage cars have also been added, and a large number have undergone extraordinary repairs. The present stock of cars consist of the following: 15 passenger, 2 mail and express, 3 mail and second class passenger, 6 baggage, 6 conductor's or bunk cars, 97 box freight cars, 14 stock cars, and 48 platform cars.

The work done on the road during the year just passed is summed up

as follows: 128,817 cross-ties have been replaced, being 65,720 more than were ever laid in repairs in any previous year. New bridges have been built at Christian's Creek and Gordonsville, and two new road bridges over grade. Ninety-six (96,000) bricks have been laid in culverts to replace the wooden and other defective works; and a large amount of trestle-work has been renewed, and a large number of new cattle-guards have been built. The total labor, exclusive of ditching, amounts to 54,692½ days, at wages averaging 100.1 cents, which amounted to $277.63 per mile of road. The labor on repairs in 1859 and 1860 cost $210 to the hand hired. A considerable per centage of this labor was always lost from holidays, sickness and desertion. The cost of labor in 1864, (estimating 260 days as a year's work) which is 20 more than an average, was $260.26 per annum. In view of the advance in prices of food and clothing, this must be regarded as a very moderate cost, for under the old system of labor, the hire remaining the same, the increased prices of provisions and clothing would have made the cost per hand $270 for the past year.

The following statement shows the financial condition of the company as it was on the 30 September, 1866:

State's subscription to capital stock		$2,013,967 52
Individual subscription		1,339,691 50
Total capital stock		3,353,679 02
Funded debt		1,799,822 26
Transportation from commencement to date		11,663,849 67
Rent of real estate		10,144 96
Due to stockholders for dividends not applied for		33,076 50
Due Board of Public Works for tolls on the Blue Ridge R. R		31,801 71
Bills payable	115,064 82	
Open accounts	124,842 11—	239,906 93
Total receipts		17,132,321 05

Against which are charged as follows:

Road and buildings, between Richmond and Staunton		$2,406,710 57
" " between Staunton and Covington		3,016,418 16
Locomotives, cars, machinery, &c		541,813 82
Total cost of road, &c		5,964,942 55
Real estate not included in road		25,196 95
Tolls to state for Blue Ridge R. R		225,049 32
Survey of short line between Richmond and Charlottesville		1,921 96
180 shares stock of C. V R. R. Co. purchased at $50		9,000 00
Interest from commencement		1,175,266 75
Dividends from commencement		1,322,681 30
Sinking fund: Company's bonds		97,500 00
" " State loan		7,936 13
Transportation and general expenses from commencement		$163,454 99
Bills receivable	$3,601 93	
Due from agents, &c	108,285 81—	111,887 73
Cash in United States Currency	6,661 31	
" in Confederate Currency	20,832 00—	27,493 35
Total disbursements		17,132,321 05

The funded debt of the company is made up of the following descriptions and amount of debt:

Bonds guaranteed by State	$100,000
Coupon bonds of 1851 payable 1873	206,500
" " of 1851 payable 1884	983,000
Loan from State of Virginia 1859-60	210,000
Coupon bonds of 1865 payable 1876	33,000
" " issued for funded interest payable 1877	79,500
Registered bonds " " " " 1870	3,625
Bonds issued for dividends payable 1866 and 1875	128,613
Temporary loans, now due	61,584
Total funded debt	$1,799,822

Much of the interest falling due on the bonds of the company during the war remained unpaid, having been held over by the holders of the bonds, or bought up by others as a safe investment. This, with the semi-annually accruing interest up to January, 1867, the Company found it impossible to pay, they therefore proposed to its holders to fund at par in 8 per cent. bonds, redeemable chiefly in 10 years from July, 1866, all interest up to January, 1867, inclusive, and gave assurance that the regular payment of interest would be resumed on the 1st July, 1867. This proposition was regarded as just and fair, and has been received with favor by the parties interested. A considerable amount has already been funded, and the funding is still progressing. The amount to be issued for the purpose of funding is $300,000.

With regard to the construction of the Covington and Ohio Railroad, the President, in his report, states as follows: "The General Assemblies of the States of Virginia and West Virginia, at their last sessions, invested a commission, composed of prominent gentlemen in each State, with the power to transfer the franchise of the Covington and Ohio Railroad Company to such persons as would make the most favorable propositions for the speedy construction of the work. In May last these commissioners entered into certain contingent agreements with gentlemen in New York, of the highest personal and financial positions, who immediately sent one of their number to Europe to make the necessary financial arrangements. The subsequent political and monetary complications in that country have retarded their operations; but now there is every reason to hope that in a short time those arrangements will be completed, and that the work will be energetically pressed forward. Should there, however, be a failure in these arrangements, and should the Commissioners not succeed in getting competent parties to take the work, so vital is the interest of this company in this great enterprise that your board will regard it as the duty of the Directors of the Company to ask the stockholders to take into consideration the propriety of themselves undertaking a work, without the completion of which your road must remain a merely local one."

In conclusion, the President says: "The general condition of the roadway is good; your rolling-stock is in excellent condition. You have on hand a good supply of wood, and a fair supply of other necessary materials. Several of your depots are rebuilt, and others will be in the course of this fiscal year. We think that your revenues will increase considerably this year, and we feel assured that the expenditures will be much less. With an improvement in the condition of the country your property will become as valuable as it ever was."

IMPROVEMENT OF THE SOCIAL CONDITION OF YOUNG MEN.

BY VERRANUS MORSE, M.D., NEW YORK.*

Society is required by the Gospel rule to place the means of personal advancement within the reach of all its members. The same rule teaches it to value men according to their merits, rather than their success or the position or merits of their ancestors. The theory of our national government enforces the same precepts. Self-interest, also, which has more influence than Gospel rules or governmental theories with some communities, as well at individuals, requires and teaches the same.

If society will discharge these obligations, young men may work their way up from the lowest to the highest social positions. Those born in poverty may accumulate riches. The sons of the ignorant and debased may come to excel in literary culture, refinement and Christian virtues, and thus become good and useful citizens, and reach the position which good citizenship confers.

It is true no improvement can be made, no elevation reached without effort; neither wealth nor knowledge nor virtue nor power comes unsought. By labor and care they are acquired, and by the same retained; but youthful ambition, aided by youthful vigor and zeal, is willing to accept of these conditions, and go forth to its life-work, relying on society's obedience to these thrice-enjoined demands.

But society disobeys the divine injunction; it disregards the national theory; it neglects its own interests. To qualify young men for high social positions certain acquirements are necessary;—a good moral character is one of these. Certain others, though they may be desirable, are not indispensable;—wealth is one of this class. Those who are destitute of these indispensible acquirements, however well they may be supplied with those that are not such—those whose characters are bad, however much wealth they may possess, cannot be allowed to occupy a ruling position in society without degrading it. Qualifications that are not essential cannot be safely substitued for those that are. Therefore, society should guard itself against tolerating such substitutions, and should guard young men against the danger of losing or neglecting these essential acquirements while seeking those that are not essential.

How does it discharge this duty? It shows young men that wealth is the key which most readily opens the jealously-guarded doors of exclusive society, and the social consideration which it confers induces many to seek it, even at the risk of ruin to the moral character. The facilities for acquiring wealth are greater in cities than in rural districts. There is a demand for labor and skill and intellect in the great commercial and manufacturing centres, and multitudes leave their homes in the country, and crowd into these centres. In doing this, they resign the social privileges and advantages of their own home circle, and trust society to make good the sacrifice. How does it execute this trust? Does it offer them

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* Delivered before the Eleventh Annual Convention of the Young Men's Christian Associations of the United States and British Provinces, at Albany, June 5th 1866.

safe substitutes for the homes and companions they have thus left? No. Although they may be virtuous, intelligent and refined, and though they are laboring for the good of the community, and, at the same time, to acquire that which will secure for themselves the respect of all classes, and though society knows that those of them who are successful will in a few years, be honored and influential citizens, yet, until they win success, it chooses to treat them as strangers seeking subsistence, or adventurers in pursuit of fortune; and no domestic circle capable of throwing a cheering, refining, and elevating influence around them will receive them when the toils of the day are over, but they are compelled to depend for companionship upon those who will corrupt their morals and debase their manners; upon dissipated young men, who have, perhaps, gone out, like themselves, from happy firesides, with high hopes and spotless characters, but have fallen into the snares or yielded to the temptations to which they are now exposed. With such companions they are compelled to mingle, in banks, stores, and work shops; and with such they are crowded together in lodging-rooms and boarding houses, the virtuous and the vicious, the learned and the ignorant, the refined and the vulgar, standing at the same desk, working at the same bench, sitting at the same table, occupying the same room, and sleeping together in the same bed. In boarding-houses, which small salaries compel mechanics and young clerks to occupy, the rooms, unreached by gas-pipes or furnace flues, are cold, dimly lighted, scantily furnished, and badly cared for; and as they contain two or three or more beds, and the occupants have no choice in the selection of fellow-occupants, it often happens that young men brought up in comfort and refinement are compelled to lodge with those whose systems are saturated with whisky, tobacco juice, and foul diseases, and whose minds are still more impure than their bodies. In such rooms, thus occupied, there is but little quiet thought or study, while there is much cigar-smoking, and vain and lewd conversation. A few weeks of such intercourse is sufficient to benumb the moral sensibilities, and prepare young men of no thoroughly fixed principles to accept invitations to the theatre, the concert saloon, or other places of low amusement, where they may induced to take their first step in vice, from a feeling that they should not be entirely ignorant of what others seem so well versed in. If they turn to the Church for safe companions, they will find that young men, fresh from the homes and the churches of their childhood, nowhere feel such utter loneliness, such complete isolation, as in the midst of a city congregation; that nowhere does it require stronger efforts to keep tears of sadness from their eyes, than in a city church. Week after week they go in and out, and no one greets them, no one notices them. Sad and discouraged, they try others, with similar results, until, at last, they desert the sanctuary altogether, or fall into a vagabondizing way, wandering about from one church to another, looking for celebrated preachers, artistic music, strange doctrines, or strange architecture.

And they are not only coldly neglected and virtually excluded from every place capable of exerting a good influence over them; they are not only, by the smallness of their salaries, subjected to physical discomfort and suffering, and the consequent temptations, but, as if to insure their destruction, seductive establishments are provided, whose whole influence, whose sole object is evil, whose only occupation is to tempt, entice, and

ruin the unwary, and whose success is measured by the losses and injuries they are able to inflict on their victims. Such is the social ordeal through which all must pass who, inexperienced and unaided, seek employment in our cities. Yet it is an ordeal which benefits none, but injures all and ruins many. It is as though every one who came to the city, from the pure air of the mountains, should, lest he might have the seeds of disease in his system, be shut up every night in the wards of a fever hospital, thus exposing him to the contagion of the deadly typhus, and so endangering his own life and the lives of those he comes in contact with during the day.

How, then, shall we rescue young men from this low pestilential social condition, where society quarantines them until they are disabled by floating wrecks, and then cuts them adrift, to shipwreck in their turn others that may come after them? Taking up their residences in cities, they need the sympathy and counsel of true friends. If left to grope their way alone, they may, by one false step, fall, to rise not again. To furnish them such friends and counsellors, Young Men's Christian Associations were organized. And to reach them with the least possible delay, each association should have cards in all the depots and hotels in the place where it is located, inviting them to its rooms. By such means the boarding-house committees might secure the opportunity of assisting many to select boarding-houses managed in accordance with Christian principles, and occupied by those with whom they might safely associate.

Every Association should have an employment committee, whose members should have the acquaintance and confidence of business men. This committee should assist young men who are out of employment, or in business of an immoral character or conducted on immoral principles, to find employment where they would not be in danger of forming bad habits, through the example or influence of their employers, fellow-clerks, or workmen.

Young men should be induced, if possible, to join the Association and engage in its work. They would thus become associated with moral and religious young men, whose friendship would cheer them and whose counsel would profit them. They would also have the advantages of lectures, literary classes, and social and devotional meetings for their evenings; and cheerful reading-rooms, well supplied with useful and interesting books, papers, and periodicals for their otherwise unoccupied hours. And the result would be social and intellectual improvement, moral elevation, and increased self-respect.

The Associations should have members in attendance at their rooms, capable of interesting young men in conversation, and of leading them to observe and think and judge for themselves.

There should also be a Church committee in every Association, which should have members in every church in the place. It should be the duty of this committee to look after young men—strangers—coming to their respective churches, to speak to them, to introduce them to their pastors and others, and to invite them to join the Bible class, or, if qualified, to become teachers in the Sunday school.

These are means capable of rescuing many from destruction, but they are only temporary agencies, to be used until society is prepared to correct its false teachings and remedy their disastrous consequences. We cannot protect young men altogether by watching and guarding them; if

we attempt it, we shall often be obliged to say of one and another, in the language of the son of a prophet, "As thy servant was busy here and there, he was gone"—gone to the house of the tempter, gone to return no more!

It is not the whole of our mission to be prepared by our committees and our members to seek out young men and shield them from the temptations to which they are exposed by those who are ordained to the work by society itself, sometimes perhaps by its negligence, but often by specific contract. Neither is it our ultimate aim to secure concessions or gratuities, but justice; it is not to induce society to imperil its own safety for others, but to do its duty to itself. We do not ask it to endow penitentiaries and asylums to restrain and elevate young men, but we do ask it to cut down the trees of evil fruitage which it so diligently cultivates for their ruin. We do ask it to shut up gambling, concert, and drinking-saloons, and all similar demoralizing agencies, which make penitentiaries and asylums necessary. It is vain to say the appetites and passions of young men will have these places. If so, why is so much expense incurred to make them attractive? If young men cannot be kept out, why make such expensive efforts to get them in? No, it is the unhallowed appetites and passions of landlords and proprietors for unjust gains that will have them. It will be said that young men must have amusement and recreation; true, but amusement and recreation need not and does not mean dissipation. Gymnasiums need not be appendages of liquor-saloons, and literary entertainments may be free from the vulgarity and profligacy of the theatre.

We know that thousands of young men come to our cities every year with fair prospects, and in a few years many of them are found in low haunts of dissipation, prison-cells, or drunkards's graves. But this is not because they are particularly prone to vicious practices, but because evil and designing men and women are allowed to do all they can to debase and ruin them while they are yet strangers, and ignorant of the forms and disguises which vice readily assumes in all great cities. They come prepared to see wickedness and meet temptation, but they expect to be able to avoid the one and resist the other; and so they would be if vice always appeared in its own proper character, but such is not the case, and here is the danger. If they can be induced to enter a gambling-house, they are not made acquainted at first with the vileness which it fosters or the villainies which it generates, but they are introduced to men of influence in social and political circles, and to the sons of wealthy men who associate with the most fashionable families, and they are led to believe that they have found a better class of associates, that they are really improving their social condition; and, perhaps, they never awake to a sense of their danger until they are over the precipice and falling, crushed and bewildered, from one jagged rock to another. When they have fallen to a certain level, society has institutions to take charge of them. When they become thieves, robbers, and forgers, it has the penitentiary. When they become paupers, the almshouse. When assassins, the gallows; and when they die, the potter's-field. In each of these cases they become burdens, and, while they live, useless members of society. Would it not be better for society to throw its protecting arms around them while they are yet standing erect in their integrity? Not wait for them to fall over its

own stumbling-blocks. Would it not be better for it to make an effort to keep them moral and useful while they are so, rather than to wait until they fall into criminal habits, and then be obliged to make a much greater effort to protect itself from their depredations?

Many young men spend their evenings in billiard-saloons and theatres, because they have no comfortable place to stay at home. The whole salary of many, now, would not board and lodge them as well as their employers board and lodge their domestic servants. Let them receive in addition to their present salaries what their employers pay for sustaining penal and reformatory institutions, made necessary by the demoralizing influences to which they are exposed by inadequate salaries, and they would be able to secure comfortable rooms where they could read, write, study or think, with no one to molest them, and multitudes would thus be kept from social and moral degradation. Would it not be more in accordance with the teachings of Christianity for the strong men who have themselves escaped the breakers—to send out the life-boat to rescue those who are still exposed; not wait until they go down for the last time, then commence their pious search for the dead bodies, that they may send them home to their sorrowing friends?

Now, can any one deny that it is our duty to ask, nay, to demand that young men, coming to our cities to engage in business, shall not be neglected and left to ruin, simply because they are strangers and yet friendless, but that they shall receive such treatment as their moral character, their manners, and their education deserve? Such treatment is required not only for their social but also for their moral and spiritual advantage; and society is under a moral obligation, not only to them, but to itself, to render them such treatment; and these obligations are readily acknowledged, but they are almost universally neglected. Excuses are made, difficulties are discovered, dangers are anticipated, but there is not a single difficulty, a single danger in the way which a resolute determination to do right could not easily remove.

It is for the interest of every man who employs another to know something of his character. Every merchant should know where his clerks live and how they spend their time; and if he finds that they have been fitted by their home training to associate with virtuous and refined families, let him grant them the privilege of associating with his—provided his is of that class. If his clerks are so numerous that his family would be discommoded if they were permitted to call at their own convenience, let him set apart an evening every month, or oftener, for their reception. They should be treated as branches of his own family.

If each one who employs young men will do this, the work which looks so formidable when viewed as a whole, will be easily accomplished when thus divided among the thousands of employers. And the condition of young men will be improved, the safety of property intrusted to their care will be increased, and the moral purity of society will not be endangered; nay, society itself will be improved, for, whatever elevates young men, elevates society, and whatever degrades them, degrades it, for though it has many members, it is but one body, and if one member suffers the whole body suffers with it. Let it become the custom for merchants to receive their clerks into their families, and they will select them with reference to character as well as ability; and when young men find that

virtue as well as talent is needed to insure success, the inducement to avoid evil company and evil habits will be increased, and the counting-house will become not only a school for business discipline, but also for moral training.

It is said, and well said, that families must exercise great caution in regard to the character and condition of those they receive into their sacred circles; but who does not know that the dissipated son of the wealthy banker is admitted, unquestioned, into the best society, while the poor clerk is allowed to groan unheeded beneath the mighty burden of caution which society heaps upon him with unsparing hand? But let him become a successful and wealthy merchant, and Caution will fold up its tent like the Arabs, and silently steal away, even though, in the meantime, his moral sensibilities may have become blunted, his manners rude, and his habits irregular; even though his wealth may have been acquired by some bold stroke—no one caring to inquire how—yet, if his account stands good at the bank, if he can count his millions, the stately doors of polished society open as blandly to his touch as the meek-eyed violet to the morning sun.

This, then, is what we complain of, and what we have a right to complain of, that society discriminates in favor of wealth, regardless of character, and thereby injures itself in every part. The sons of the poor learn to neglect virtue, if by so doing they can gain wealth; and the sons of the wealthy disregard it, since it is not needed for their social advancement. We do not wish to charge society with the design of being untrue to itself or unjust to any, but it has adopted and is cultivating a system composed of the neglect of positive obligations, and the commission of positive injustice—a system calculated to undermine the moral character of every young man, whatever his circumstances may be, who goes out from his father's house to engage in the business of life—a system repugnant to its own best interests and every principle of Christianity. Shall we, then, as Christian Associations, remain silent and inactive? No! It is our duty, as young men, to stand together, like the Roman phalanx, protecting each other with their overlapping shields, not simply that we may be at rest, safe from every assaulting missile, but that we may move forward, unyielding and resistless, until society shall learn to treat young men as justice and Christianity dictate, and cease to authorize or tolerate their temptation as a business.

Then, thousands and thousands who never can be reached by the direct efforts of our organizations, who never can be induced to enlist under our banners, will rise to a higher level, and society itself will be purified and elevated.

CHARLES G. COLBY, A.M.

The subject of this sketch was born in the city of Rochester, N. Y., on the 19th of December, 1829, and died in the city of New York on the 30th of October, 1866, in the 37th year of his age. In the brief space allotted to his life he accomplished much deserving of remembrance, and which will be valued for intrinsic worth. Of his boyhood the writer knows

nothing, but the evidences are apparent that he had received an excellent training, both moral and intellectual. At the early age of 19 he graduated at the Wesleyan University, Middletown, Conn., and shortly afterwards became a teacher of youth. Still later we find him delivering lectures on astronomy, a science which he fully comprehended and passionately loved. In 1850 he was engaged as an assistant with Prof. Bond, of the Cambridge Observatory. While here he was employed in calculating the eclipses for 1851, the results of which were published with appropriate diagrams in Harper's Magazine for July of that year. He also wrote an article on "Telescopes" for the New York Independent, which at the time attracted considerable attention among scientific men. In the latter part of 1851 he removed to New York, where he was employed, first in the office of the American Railroad Journal, and soon after became assistant to Dr. R. S. Fisher, who was then engaged in the preparation of his "Statistical Gazetteer of the United States," which was published by T. H. Colton early in 1853. The "American Statistical Annual," published in the same year, was the joint production of Dr. Fisher and Mr. Colby. Subsequently he went into the office of "Hunt's Merchants' Magazine" as assistant editor, and there remained until on the death of Mr. Hunt, the property was transferred to other hands. His next employment was in writing the description and statistical letterpress for "Morse's Geography of the World," "Morse's Diamond Atlas," (in 2 vols.), and several smaller works. He also wrote a number of articles on the city and State of New York for the "Encyclopædia Britannica" and several for "Appleton's American Cyclopædia." In 1861 he removed to Boston, where he was engaged on the Boston Commercial Bulletin. Ill-health now compelled him to intermit his labors and seek a more congenial climate than he found in New England. He again came to New York in 1864, and here remained until the time of his death, employing himself in many useful labors. Never a strong man, he succombed to an attack of inflamation of the lungs after an illness of five days. His remains were taken to Brockport, near his native place.

PETROLEUM IN MIDDLE TENNESSEE.

We find the following letter from Professor Winchel in a late number of the *Mining and Manufacturing Journal* of Pittsburg:

It may interest some of your readers to ascertain some definite facts in reference to the petroleum belt stretching along the eastern border of the Highland river, of Tennessee, from Wolf Creek to McMinnville. I offer, therefore, a summary of information obtained from observation and other sources.

The valley of the Calfkiller Creek, a tributary of Cany Fork, contains some old salt wells, which have a history not a whit less remarkable than that of the "Old American Well," near Burkeville, in Kentucky. About three miles north of Sparta, in White county, is a well, known throughout the region as the "Great

Burning Well." I have seen affidavits signed by seven different persons, and certified by the clerk of White county court, to the following effect:

That the Great Burning Well was bored for salt somewhat over thirty years ago, but when down to the usual depth a dark and strong smelling substance burst forth with great violence, throwing the tools above the derrick, which was seventy feet high, and in such abundance as to prevent the manufacture of salt from the brine obtained. This substance, which was evidently petroleum, flowed upon the surface of the creek and floated down the stream. At length it became ignited, and the flames ascended in an unbroken sheet to such a height as to illuminate the country for many miles, enabling people to read as by daylight.

The accounts assert that it continued to burn at the mouth of the well for many months, and was finally extinguished by the efforts of the proprietor. Some controversy arising in reference to the property, the well was plugged with a tallow bag, and subsequently filled with sediments from the stream. A company are now at work reaming out the well, expecting that the result of re-opening it will be similar to that experienced with the old American well. The same farm embraces another well which is said to have burned in a similar way; and half a mile distant, on another farm, is still another from which the oil burst forth with great violence and in great quantity. This was also filled, and is now covered by a mound of earth; but the oil is still oozing slowly.

These facts furnish an exact parallel with the great Burksville well; and it is worth while to inquire as to the topographical and geological situation of the locality. This inquiry leads to the discovery that the hope of success in re-opening the Great Burning Well is justified no less by the reasoning of science than by the experience of the past. These wells are bored in a formation which, like that of Venango county, Pennsylvania, lies immediately above the celebrated Black Slate, so prolifically charged with bitumenized matters that it has been regarded as the mother rock of most of the oil produced in the country.

As a further parallel, this formation is of a sandy and porous nature, so as to be fitted for the reception of the products eliminated below. Moreover, it is even cavernous to a greater extent than the Pennsylvania oil rocks; and is covered by a series of limestone strata practically impervious to the escape of the oil throughout most of their extent.

The formation in which the oil accumulates, and which is so favorably circumstanced for productiveness, has been styled by Prof. Safford the "Silicious Group," and the limestones above belong to the mountain limestone series. Fossils collected by myself, or placed in my hands by Prof. Safford, indicate that the Silicious group belongs to a more recent geological age than the Venango county shales and sandstones, but the conditions of oil accumulation have no dependence on this fact. The Silicious group, in fact, corresponds to the Keokuk and Warsaw limestones, and is overlaid by the representatives of the St. Louis and Kaskaskia limestones—all members, in ascending order, of the great mountain limestone series of the West.

The valley of the Calfkillar is not the only region in which the Silicious group has proved productive in oil. The wells of the Glasgow region in Kentucky are all bored in this group, and many of them terminate in it—a few pass-

ing into the Black Slate, and others descending to the Silurian strata. McMinnville is located upon the same group, and oil to some extent has already been obtained at that place. On Spring Creek also, in the southern part of Overton county, are three wells bored in the same group. Two of these are forty feet deep, and produce 150 barrels each. The third is 480 feet deep, and produces better than either of the others. Unless I am misinformed, some of the wells on Wolf Creek occupy the same geological position.

Geologically and experimentally this region is proved to be one of great interest and promise; and during the present lull in petroleum matters, our stirring men of oil will be glad of some occasion to arouse their drooping spirits.

A. WINCHELL.

University of Michigan, Ann Arbor, Oct. 25, 1866.

DEPARTMENT REPORTS.

REPORT OF THE SECRETARY OF THE TREASURY.

TREASURY DEPARTMENT,
WASHINGTON, Dec. 3, 1866.

In conformity with the requirements of law, the Secretary has the honor to make the following report;

In his report under date of the 4th of December, 1865, the Secretary estimated, according to the data furnished him by this Department and by the other Departments, that the expenditures of the Government for the three-quarters of the fiscal year ending June 30, 1866, would exceed the receipts $112,194,947 20. The result was widely different. The receipts exceeded the estimates $89,905,905 44; the expenditures fell short of the estimates $200,529,35 30. The following statement exhibits the items of increase of receipts and decrease of expenditures in comparison with the estimates:

Statement of the estimated and actual receipts and expenditures of the United States from October 1, 1865, to June 30, 1866.

RECEIPTS.

	Estimated.	Actual.	Excess of receipts.
Customs	$100,000,000 00	$133,037,068 55	$33,037,068 55
Lands	500,000 00	533,140 49	33,140 49
Internal revenue	175,000,000 00	212,607,927 77	37,607,927 77
Miscellaneous	30,000,000 00	48,285,125 90	18,285,125 90
Direct tax	....	1,943,642 33	1,943,642 33
	$305,500,000 00	$395,405,905 44	$89,905,905 44
Cash balance Oct. 1, 1865	67,158,515 44	67,158,515 44	
	$372,658,515 44	$462,564,420 88	

EXPENDITURES.

	Estimated.	Actual.	Excess of estimates.
Civil service	$33,994,082 38	$30,485,500 85	$2,508,581 53
Pension and Indians	12,256,790 94	11,061,285 79	1,195,505 15
War Department	307,788,770 87	119,080,464 50	188,708,306 07
Navy Department	35,000,000 00	26,802,716 31	8,197,283 69
Interest on public debt	96,813,868 75	96,804,360 19	.....
Deduct deficiency in estim'te for interest on public debt	....	.....	$200,899,696 74 90,391 44
	$494,853,463 64	$384,394,227 34	$300,589,235 30

RECAPITULATION.

Actual receipts, including cash balance	$463,564,420 88	
Estimated receipts, including cash balance	373,658,515 44	
Excess of receipts over estimates		$89,905,905 44
Estimated expenditures	484,853,462 64	
Actual expenditures	284,394,227 34	
Actual expenditures less than estimated		200,539,235 30
		$290,435,140 74

The following is a statement of receipts and expenditures for the fiscal year ending June 30, 1866:

Balance in Treasury, agreeable to warrants, July 1, 1865	$858,309 15	
To which add balance of sundry trust funds not included in the above balance	2,217,732 94	
Making balance, July 1, 1865, including trust fund		$3,076,042 09
Receipts from loans		712,851,558 05
Receipts from customs	179,046,651 58	
Receipts from land	665,081 03	
Receipts from direct tax	1,974,754 12	
Receipts from internal revenue	209,236,813 42	
Receipts from miscellaneous sources	67,119,389 91	558,063,690 06
		$1,273,960,215 20
Redemption of public debt	$690,221,735 61	
For the civil service	41,056,961 54	
For pensions and Indians	18,952,416 91	
For the War Department	284,449,701 82	
For the Navy Department	43,394,118 52	
For interest on the public debt	133,097,741 69	520,750,940 48 — 1,141,072,676 09
Leaving a balance in the Treasury on the first day of July, 1866		$132,887,549 11

The following is a statement of the receipts and expenditures for the quarter ending September 30, 1866:

RECEIPTS.

Balance in Treasury, agreeable to warrants, July 1, 1866		$132,887,549 11
Receipts from loans		174,011,622 24
Receipts from customs	50,843,774 24	
Receipts from lands	226,399 72	
Receipts from direct tax	340,454 39	
Receipts from internal revenue	99,166,993 98	
Receipts from miscellaneous sources	7,961,764 24	158,561,386 57
		465,460,557 92

EXPENDITURE.

For the redemption of the public debt	342,782,686 44	
For the civil service	11,896,786 44	
For pensions and Indians	11,787,975 66	
For the War Department	18,886,214 03	
For the Navy Department	7,976,609 17	
For interest on the public debt	33,905,399 99	333,041,709 73
Leaving a balance in the Treasury on the first day of Oct. 1866, of		$132,418,789 19

The following statement exhibits the items of increase and decrease of the public debt for the fiscal year ending June 30, 1866:

Amount of public debt, June 30, 1865	$2,682,593,026 52	
Amount of cash in Treasury	858,309 15	
Amount of public debt, June 30, 1865, less cash in Treasury		$2,681,734,717 38
Amount of public debt, June 30, 1866	$2,783,425,979 21	
Amount of cash in Treasury	132,887,549 11	
Amount of public debt, June 30, 1866, less cash in Treasury		2,650,538,380 10
Net decrease		31,196,337 28

diminution of internal taxes, and a modification of the tariff, which will doubtless lead to a reduction of customs duties on many articles, will be required, in order that production may be increased and new life infused into certain branches of industry that are now languishing under the burdens which have been imposed upon them. But, after the proper and necessary reductions shall have been made, the revenues will doubtless be sufficient, if the Government shall be economically administered, to pay the current expenses, the interest on the public debt, and reduce the principal at the rate of from four to five millions per month. In order that this may be done, however, there must be no additional donations to railroads, no payments but in the fulfillment of contracts, and no unnecessary expenditure of money for any purpose whatever. With proper economy in all the Departments of the Government, the debt can be paid by the generation that created it, if wise and equal revenue laws shall be enacted and continued by Congress, and these laws are faithfully enforced by the officers charged with their execution. That it is the will of the people that it should be paid, and not perpetuated, is clearly indicated by the favor with which its rapid reduction during the past year has been regarded. The idea that a national debt can be anything else than a burden—in which there are some compensations, but still a burden, a mortgage upon the property and industry of the people—is fortunately not an American idea. In countries in which the public expenditures are so heavy or the resources are so small that no reduction of their public debts is practicable, and where national securities become monopolized capital in the hands of moneyed aristocracies, who not only absorb the means, but give direction to the sentiment of the people, public debts may be regarded as public blessings; but no such fallacy will ever be countenanced by the free and intelligent people of the United States.

Nothing in our history has created so much surprise, both at home and abroad, as the reduction of our national debt. The wonder excited by the rapidity with which it was created is greatly exceeded by the admiration of the resolution of the taxpayers themselves that it shall be speedily extinguished. The conviction is becoming fastened upon the popular mind that it is important—for economy in the national expenses, for the maintenance of a true democracy in the administration of the Government, for the cause of good morals and of public virtue—that the policy of a steady annual reduction of the debt should be definitely and inexorably established. Nothing short of this, and that economy in the national expenditures, which will render it practicable, will reconcile the people to the burdens of taxation. A national debt must ever be a severe strain upon republican institutions, and ours should not be subject to it one day longer than is necessary. To the perpetuation of the existing debt of the United States there are also, it may be proper to remark, serious objections growing out of the circumstances under which it was created. Although incurred in a great struggle for the preservation of the Government, and therefore especially sacred in its character, its burdens are to be shared by those to whom it is a reminder of humiliation and defeat. It is exceedingly desirable that this, with other causes of heartburnings and alienation, should be removed as rapidly as possible, and that all should disappear with the present generation, so that there may be nothing in the future to prevent that unity and good feeling between the sections which are necessary for true national prosperity.

The Secretary regrets, notwithstanding the large reduction of the national debt, and the satisfactory condition, in other respects, of the National Treasury, that little progress has been made since his last report toward specie payments. The views presented by him in that report, although indorsed in the House of Representatives by a nearly unanimous vote, were not sustained by corresponding legislation. Instead of being authorized to reduce the paper circulation of the country, according to his recommendations, the amount of United States notes which he was permitted to retire was limited to $10,000,000 for the six months ending October 12, and to $4,000,000 per month thereafter. In the meantime, the reduction of these notes and of the notes of the State banks, has been nearly

balanced by the increase of the circulation of the National Banks; and specie commands about the same premium it did when the last Treasury report was prepared. Having been thus prevented from taking the first important step toward a return to specie payments, the Secretary has mainly directed his attention to measures looking to an increase of efficiency in the collection of the revenues, to the conversion of interest-bearing notes into Five-twenty bonds, and to a reduction of the public debt. What has been accomplished in these respects, and is not already understood by the country, is explained elsewhere in this report. The Secretary has also deemed it to be his duty to use such means, within his control, as were, in his judgment, best calculated to keep the business of the country as steady as possible, while conducted on the uncertain basis of an irredeemable currency. To accomplish this, he has thought it necessary to hold a handsome reserve of coin in the Treasury. For doing so, he has been criticised by many very intelligent persons, some of whom have condemned the policy as involving a heavy loss to the country, in the way of interest; others have objected to it as a failure on his part to avail himself of means within his control for reducing the price of coin, and thus approximating specie payments; on the contrary, not a few have pronounced all sales of gold by the Government unwise, on the theory that if the coin received from customs, and not required for the payment of interest, should be permiitted to accumulate until it should reach about the same proportion to the outstanding United States notes that, in former days, the coin in the vaults of well-managed banking institutions sustained to their immediate liabilities, specie payments might be resumed, without a reduction of the currency, and without regard to the condition of trade between the United States and other nations.

Under these circumstances, feeling sensible of the great responsibility of his position, the Secretary has deemed it safer and better for the country, to act according to the dictates of his own judgment, carefully regarding the conditions of the markets and of the Treasury, rather than to take his direction from those who, however intelligent and able, were under no official obligations to the Government, and might be less accurately advised in regard to the actual state of its financial affairs. He has regarded a steady market as of more importance to the people than the saving of a few millions of dollars in the way of interest; and observation and experience have assured him that, in order to secure this steadiness in any considerable degree, while business is conducted on a paper basis, there must be power in the Treasury to prevent successful combinations to bring about fluctuations for purely speculative purposes. He has also been clear in his convictions that specie payments are not to be restored by an accumulation of coin in the Treasury, to be paid out at a future day in the redemption of Government obligations; but rather by quickened industry, increased production and lower prices, which can alone make the United States what they to be—a creditor and not a debtor nation. These views explain the course that has been pursued with the gold which, during his administration of the Department, has come into the Treasury. He has permitted it to accumulate when the use or sale of it was not necessary for paying Government obligations, or to prevent commercial panics, or successful combinations against the national credit, and he has sold whenever sales were necessary to supply the Treasury with currency, to ward off financial crisis, or to save the paper circulation of the country, as far as practicable, from unnecessaryand damaging depreciation. For making sales he alone is responsible. If, in conducting them, any favoritism has been shown, or if the interests of any particular class have been especially regarded, it has been without his knowledge, and in violation of his instructions. He has not the slightest reason to suppose, however, that they have not been conducted honestly, fairly and judiciously.

It may be hardly necessary for the Secretary to remark that his opinions have undergone no change in regard to the importance of a restoration of the specie standard, or the means necessary to effect it. He trusts, however, that he has not been understood as entertaining the opinion that a reduction of the currency

would of itself necessarily bring about specie payments, although the chief and essential means to effect the desired result. He regards a redundant legal tender currency as the prime cause of our financial difficulties, and a curtailment thereof indispensable to an increase of labor and a reduction of prices, to an augmentation of exports and a diminution o imports, which alone will place the between the United States and other nations on an equal and satisfactory footing.

In order that his views on this point may not be misapprehended, the Secretary trusts that he will be pardoned for referring (even at a risk of a repetition of what he has heretofore presented in other communications to Congress and in other ways to the country) to certain laws, well understood, but too often disregarded, which regulate international trade and control the movements of coin. We have traveled so far from the specie standard, and are also blindedin regard to our actual financial condition and our relations with other countries, by inflated and irredeemable currency, and by the exportation of our securities, that frequent recurrence to inexorable commercial and financial laws is necessary.

Ever since trade commenced between the people of different nations, gold and silver have been the only reliable and recognized measure of value and medium of exchanges. While in their internal trade other representatives of value have, to a greater or less extent, been used by all nations, money made of these metals has been pronounced by the judgment of the world the only currency possessing the attributes necessary for a uniform and universal circulating medium. From this judgement there is no appeal. Not only is it the true and universally acknowledged measure of value and medium of exchanges, but by its regulating flow, it indicates the condition and the results of trade between different nations. Water does not more naturally seek a level, than does specie flow from one nation to another for the payment of balances created by an unequal exchange of commodities. Trade between nations is generally and chiefly conducted by an exchange of their productions; but as these exchanges are never exactly equal, there are constantly occurring balances to be paid in something else; and, in their payment, nothing but the precious metals is a legal tender It is this necessity for paying balances in coin which regulates the trade of nations. It is this great commercial and financial law which makes the nation that sells more than it buys the creditor nation, and the nation that buys more than it sells the debtor nation, and recognizes no medium but coin in the payment of balances, that determines the question of the ability of the United States to resume and maintain specie payments. If the balance is in our favor, or if not in our favor, if the balance against us is so small that it can be paid without an exhausting drain upon our precious metals, specie payments can at once be resumed. Such, unfortunately, is not the fact. Notwithstanding our heavy exports during the past year (that of cotton having been 650,672,820 pounds, or nearly 1,600,000 bales, a quantity greater than our entire crop of the present year), the United States are largely a debtor to Europe.

A few facts will put us right on this point. Between the year 1848, when gold was first discovered in California, and the 1st of July, 1866, the product of the gold and silver mines of the United States was about $1,100,000, nearly all of which has gone into the world's general stock; and it is not probable that the amount of gold and silver now in the United States is very much larger than it was eighteen years ago.

During the fiscal year ending June 30, 1866, the United States imported:

Foreign merchandise free of duty		$58,801,759
Foreign merchandise paying duty		368,508,051
		$427,309,810

Of foreign merchandise there was re-exported:

Free of duty	$1,907,157	
Dutiable	9,434,253	
Total (mixed gold and currency value)	11,341,410	
Which, reduced to currency value, was equal to		10,263,286
Total net imports foreign merchandise, valued in gold		$417,046,57

Imports, specie	$10,389,156	
Of which there was re-exported	3,400,697	
Net imports, specie		6,988,459
Total net imports, foreign merchandise and specie		$423,975,036
During the fiscal year ending June 30, 1866, the United States exported domestic merchandise, currency value, $466,040,903, reduced to gold value	$383,392,065	
Specie exported	32,643,374	
Total domestic exports, valued in gold		415,965,459
Apparent balance of trade, valued in gold		$8,009,577

But these figures, taken from the reports of the custom houses, do not present the whole truth. For many years there has been a systematic under-valuation of foreign merchandise imported into the United States, and large amounts have been smuggled into the country along our extended sea coasts and frontiers. To make up for under-valuations and smuggling, and for cost of transportation paid to foreign shipowners, twenty per cent. at least should be added to the imports, which would make the balance for the past year against the United States nearly $100,000,000. It is evident that the balances have been largely against the United States for some years past, whatever may have been the custom house returns. On no other ground can the fact be accounted for, that a very large amount of American bonds is now held in Europe which are estimated as follows, to wit:

United States bonds	$350,000,000
State and municipal bonds	150,000,000
Railroad and other stocks and bonds	100,000,000
	$600,000,000

It is evident, from these figures, that the balances are against us, and, chiefly by the exportation of our Government bonds, are being temporarily and improvidently arranged; temporarily, because a large portion of these bonds have been bought on speculation, and will be likely to be returned whenever financial troubles in the countries in which they are held shall make it necessary for the holders to realize upon them, or whenever satisfactory profits can be made by returning them, which will be when they nearly approach their par value in coin; improvidently, because they are being purchased at very low prices, and because their exportation stimulates imports, and thus cripples home industry. Nothing is more certain than the fact that there can be no permanent resumption of specie payments in the United States until the balances between them and other nations shall be made easy by an exportation of commodities, including the products of the mines, equal at least to our importations, and until provision shall be made for returning bonds, or for preventing their return at unpropitious times. This state of things, it is conceived, cannot be effected without a change in our financial policy.

There being but one universally recognized measure of value, and that being a value in itself, costing what it represents in the labor which is required to obtain it, the nation that adopts, either from choice or temporary necessity, an inferior standard, violates the financial law of the world and inevitably suffers for its violation. An irredeemable, and consequently depreciated currency, drives out of circulation the currency superior to itself; and if made by law a legal tender, while its real value is not thereby enhanced, it becomes a false and demoralizing standard, under the influences of which prices advance in a ratio disproportioned even to its actual depreciation. Very different from this is that gradual, healthy, and general advance of prices which is the effect of the increase of the precious metals. The coin which is obtained in the gold and silver-producing districts, although it first affects prices within such districts, following the course of trade, and in obedience to its laws, soon finds its way to other countries, and becomes a part of the common stock of the nations,

which, increasing in amount by the regular product of the mines, and in activity by the growing demands of commerce, advances the price of labor and commodities throughout the commercial world. Thus, the products of the American Australian, and Russian mines tend first to advance prices in their respective localities, but the operation of trade soon distributes these products, and enterprise everywhere feels and responds to the increase of the universal measure of value. All this is healthful, because slow, permanent, and universal. The coin produced in any country will be retained there no longer than its productions and sales keep the balance of trade in its favor. As soon as it becomes cheaper (if this word can be properly used in regard to the standard of value) in the country in which it is produced than in other accessible countries, or rather when it will purchase more in other countries (adding interest, the cost of transportation, duties and other necessary expenses) than in that in which it is produced, or when it is required to pay balances to other countries, it flow to them by a law as regular and as certain as gravitation. Hence, although the precious metals are produced in considerable quantities in but a few countries, they affect the prices in all. Not so with a paper currency, which is local in its use and in its influence. Its advantages, when convertible, are admitted; or, if convertible, although it swells the volume of currency, it rather increases enterprise than prices. Its convertibility prevents expansion, while its larger volume gives impetus to trade and creates greater demand for labor. But when a paper currency is an inconvertible currency, and especially when, being so, it is made by the sovereign power a legal tender, it becomes prolific of mischief. Then specie becomes demonetized, and trade is uncertain in its results, because the basis is fluctuating; then prices advance as the volume of currency increases, and require as they advance further additions to the circulating medium; then speculation becomes rife, and "the few are enriched at the expense of the many;" then industry declines, and extravagance is wanton; then, with a diminution of products, and consequently of exports, there is an increase of imports, and higher tariffs are required on account of the general expansion, to which they, in their turn, give new stimulus and support, while the protection intended to be given by them to home industry is in a great measure rendered inoperative by the expansion. This, notwithstanding our large revenues and the prosperity of many branches of industry, is substantially the condition of the United States, and the important question arises, What are the remedies?

With entire deference to Congress, the Secretary suggests that they are to be found—

First—In compelling the National Banks to redeem their notes at the Atlantic cities, or, what would be better, at a single city.

Second—In a curtailment of the currency to the amount required by legitimate and healthful trade.

Third—In a careful revision of the tariff, for the purpose of harmonizing it with our internal taxes—removing the oppressive burdens now imposed upon certain branches of industry, and relieving altogether, or greatly relieving, raw materials from taxes, in order that the product of labor may be enhanced and production and exportation increased.

Fourth—In the issue of bonds, payable in not over twenty years and bearing interest at the rate of not over five per cent., payable in England or Germany, to an amount sufficient to absorb the six per cent. bonds now held in Europe, and to meet the demand there for actual and permanent investment; and—

Fifth—In the rehabilitation of the Southern States.

First—The utility of compelling National Banks to redeem their notes at commercial centres, as well as at their own counters, is apparent. The object of Congress, in the establishment of the National Banking system was to furnish the people with a solvent currency of uniform value throughout the United States. The solvency of the notes of the National Banks is secured by a deposit of bonds with the Treasurer at Washington; but, as the Banks are scattered throughout the country, and many of them are in places difficult of access, a

redemption of their notes at their respective counters is not all that is required to make them throughout the United States a par circulation. It is true that the notes of all National Banks are receivable for all public dues, except duties upon imports, and must be paid by the Treasurer in case the Banks which issued are unable to redeem them, but it will not be claimed that the notes of Banks, although perfectly solvent, but situated in interior towns, are practically as valuable as the notes of banks in the seaboard cities.

It may be urged that, to compel remote banks thus to redeem would be a hardship; but as very few well-managed banking institutions in the United States fail to keep accounts and balances in some of the Atlantic cities, this hardship would be found upon trial to be imaginary rather than real. But if it should be a hardship, it would be a necessary one, and the interests of the banks must bend to the interests of the people. Beside, without such redempption, there will be practically none at all, at least until specie payments are resumed; and when there are no redemptions there is always a constant tendency to inflation and illegitimate banking. The frequent and regular return of their notes is needed to keep the business of the banks in a healthy condition, and thus invariably proves no less advantageous to the stockholders than to the public. Unless the banks shall be compelled to redeem in United States notes, many of them will neither lend their influence in favor of a return to specie payments, nor be prepared for them when, without their agency, specie payments shall be brought about. If the determination of the question was left to the Secretary, all the banks would be required to redeem in New York, the acknowledged commercial metropolis of the Union. The designation of that city as the redeeming point for all National Banks would not only give absolute uniformity to their circulation, but would so facilitate the assorting and returning of notes that practical and general redemption would be enforced. It is certain that this will not be done under the existing provisions of the law; it is not certain that it will be, unless all banks shall be compelled to redeem at a single point. This might be objected to by the banks in other Atlantic cities on the ground that it would aggrandize New York at their expense. But New York is already the financial and commercial emporium of the Union. Most of the interior banks keep their chief balances in that city, because they are more available and valuable there than elsewhere, and in compelling all the banks to redeem at the metropolis of trade, Congress would be only yielding to an unwritten but controlling law to which statutes should conform. The course of trade compels, and will compel, those National Banks whose business is based upon the products of the country (and these must always constitute a majority) to keep their chief balances in New York, whether they redeem there or not. If exchanges between that city and other cities should be in favor of the latter, the redemption by their banks would be made at their own counters, and no sacrifice but that of local pride would be involved in their being required by law to redeem at the common centre. When New York shall be a debtor city to Boston and Philadelphia, the notes of the Boston and Philadelphia banks will go home, and not to New York for payment. What is required is an active, regular and actual redemption of the notes of all the National Banks. To effect this, local pride should be sacrificed and minor interests should be disregarded. What is said upon this subject by the Acting Comptroller of the Currency is fully endorsed.

The second remedy suggested is a curtailment of the currency.

The views of the Secretary upon the question of a reduction of the currency have been so frequently expressed, that it is only necessary now to consider whether the curtailment should be of the United States notes or of the notes of the National Banks. On this subject his opinions have undergone no change since he communicated them in his report as Comptroller of the Currency. Banks of issue, organized under State laws, have been in existence ever since the formation of the Government. By the decisions of the highest tribunals of the country, their constitutionality has been affirmed, and they have become so interwoven with the business of the country, and such large investments have

been made in them, that their destruction would involve consequences of a very serious character. Whether or not the country would have been more prosperous without them—whether the stimulus they have given to enterprise and the facilities they have extended to trade have or have not been counterbalanced by the artificial prices which they have created, and the actual losses which the people have sustained by the crisis they have occasioned, and by their suspensions and failures—it is too late to consider. When the National Currency Act was passed by Congress, State Banks were in full operation, and not less than four hundred millions of dollars were invested in them as capital. In some States, by judicious legislation and careful management, they had afford ed a local circulation satisfactory and safe. In other States, where no reliable security, or insufficient security, had been required for the protection of the public and their management had been confided to incompetent or dishonest hands, there had been numerous failures, and heavy losses had been sustained by the holders of their notes.

Soon after the commencement of the rebellion, it became apparent that a heavy national debt was to be created, the interest and principal of which could only be paid by a general system of internal taxes, involving a necessity for a circulating medium equal in value throughout the country, and safe for the Government to receive in payment of dues. This subject, of course, demanded and received the earnest and careful consideration of the distinguished gentelman at that time the financial minister of the Government, who caused to be prepared and submitted to Congress a bill "to provide a national currency secured by a pledge of United States bonds, and to provide for the circulation and redemption thereof," which, after having been carefully considered and thoroughly discussed, became a law on the 25th of February, 1863. Prior to the passage of this act, issues by the Government had been authorized, and a large amount of Government notes had been put in circulation. But there is nothing in the acts authorizing their issue, or in the communications of the Secretary, or in the discussions in Congress, to justify the opinion that they were intended to be a permanent circulation. On the contrary, the provisions in the law for their conversion into bonds, and the arguments of the advocates of their issue, afford ample evidence that they were regarded as merely temporary, and justifiable only by an emergency which it was supposed nothing else could adequately meet. Had it been proposed that these notes should be a permanent circulation and take the place of bank notes, there is good reason to suppose that the proposition would have had few, if any, advocates. Nor was the National Banking system prepared by its author, nor adopted by Congress, to destroy the State Banks, nor to divert capital from banking, but rather to compel all banking institutions issuing notes as money to secure them, beyond any conceivable contingency, by deposits with the Treasurer of the United States thus, without the agency of a National Bank, providing a national currency which would save the Government and people from losses, of which there was constant danger, from a local and unsecured circulation. The national banking system was intended, while not invading the rights of the States, nor damaging private interests, to furnish the people with a permanent paper circulation. The United States notes were intended to meet a temporary emergency, and to be retired when the emergency had passed.

The present Secretary was not the advocate of the National Banking System, and claims only the credit of having used his best efforts, as Comptroller, to put it into successful operation. But he has no hesitation in pronouncing it a vast improvement upon the systems which it superseded, and one admirably adapted to our peculiar form of Government. There are substantial objections to all banks of issue, and if none existed in the United States, it might be very questionable if any should be introduced; but having taken the place of the State Banks, and furnished as they do a circulation as free from objection as any that is likely to be provided, the Secretary is of the opinion that the National Banks should be sustained, and that the paper circulation of the country should be

reduced, not by compelling them to retire their notes, but by the withdrawal of the United States notes.

The Secretary is not unmindful of the saving of interest which results to the Government by the use of its own currency, nor of the favor with which this currency is regarded by the people; but all considerations of this nature are more than counterbalanced by the discredit which attaches to the Government by failing to pay its notes according to their tenor, by the bad influence of this voluntary discredit upon the public morals, and the wide departure which a continued issue of legal tender notes involves, from past usages, if not from the teachings of the Constitution itself. The Government cannot exercise powers not conferred by its organic law or necessary for its own preservation, nor dishonor its own engagements when able to meet them, without either shocking or demoralizing the sentiment of the people; and the fact that the indefinite continuance of the circulation of an inconvertible but still legal tender currency is so generally advocated, indicates how far we have wandered from old landmarks, both in finance and ethics. The views of the Secretary on this point were so fully expressed in his former report that it is not necessary to restate them. It is suffi cient to say that his opinions are unchanged, and that reflection and observation during the past year have assured him of their correctness. Anxious as he is to lighten the public burdens and reduce the public debt, he does not hesitate to advise that these notes be withdrawn from circulation, and that the furnishing of what paper currency may be required be left to corporations, under existing laws, and such amendments of these laws as experience may dictate for the better protection and advancement of the public interest. How rapidly they may be retired must depend upon the effect which contraction may have upon business and industry, and can be better determined as the work progresses. The reduction could probably be increased from four millions per month, as contemplated by the act of April 12, 1866, to six millions per month for the present fiscal year, and to ten millions per month thereafter, without preventing a steady conversion of the interest-bearing notes into bonds, or injuriously affecting legitimate business. No determinate scale of reduction would, however, in the present condition of our affairs, be advisable. The policy of contracting the circulation of Government notes should be definitely and unchangeably established, and the process should go on just as rapidly as possible without producing a financial crisis, or seriously embarrassing those branches of industry and trade upon which our revenues are dependent. There is a great adaptability in the business of the United States, and it will easily accommodate itself to any policy which the Government may adopt. That the policy indicated is the true and safe one, the Secretary is thoroughly convinced. If it shall not be speedily adopted and rigidly, but judiciously enforced, severe financial troubles are in store for us.

The Secretary cordially approves what is said by the Acting Comptroller of the Currency, in his report, in regard to the importance of furnishing the people of the South with the bank-note circulation which their business may require, and agrees with him in the opinion which he expresses of the beneficial results, political, financial and social, to be effected by the organization of National Banks in the Southern States, but he cannot recommend an increase of the bank-note circulation of the country beyond three hundred millions of dollars, and hopes that the necessities of those States may be supplied rather by a reduction of the amount awarded to other States, than by an increase of the volume of currency.

The third remedy suggested is a revision of the tariff for the purpose of harmonizing it with internal taxes, a reduction of taxes upon raw material, &c., &c.

The 66th section of the act entitled, An act to reduce internal taxation," &c., approved July 13, 1866, provides: "That the Secretary of the Treasury is hereby authorized to appoint an officer in his department, who shall be styled "Special Commissioner of the Revenue," whose office shall terminate in four years from the 30th day of June, 1866. It shall be the duty of the Special Commissioner of the Revenue to inquire into all the resources of national revenue, and the best

method of collecting the revenue; the relation of foreign trade to domestic industry; the mutual adjustment of the system of taxation by customs and excise, with the view of insuring requisite revenue with the least disturbance or inconvenience to the progress of industry and the development of the resources of the country; and to inquire, from time to time, under the direction of the Secretary of the Treasury, into the manner in which officers charged with the administration and collection of the revenues perform their duties. And the said Special Commissioner of the Revenue shall, from time to time, report, through the Secretary of the Treasury, to Congress, either in the form of a bill or otherwise, such modifications of the rates of taxation, or of the methods of collecting the revenues, and such other facts pertaining to the trade, industry, commerce, or taxation of the country, as he may find, by actual observation of the operation of the law, to be conducive to the public interest."

On the 16th of July last, Mr. David A. Wells was appointed Special Commissioner of the Revenue, under the authority above recited, and he was instructed to proceed at once to perform the contemplated work, giving his chief attention to the tariff, with the view of ascertaining what modifications are required to adjust it to the system of internal taxes, stimulate industry, and make labor more productive.

The ability displayed by Mr. Wells in the performance of his duties as one of the commissioners for the revision of the internal revenue laws, and the heartiness with which he is prosecuting his investigations, give the best assurance that he will perform the work in a manner creditable to himself, and satisfactory to Congress and the people. The Secretary addressed to him on the 14th day of September, 1866, a letter, from which the following is extracted: "In view of the fact that the revision of the tariff is certain to engage the attention of Congress at its next session, I consider it especially desirable that the Treasury Department should be prepared to furnish as much information pertinent to the subject as can be obtained and collected within the limited time available for the necessary investigations. You are, therefore, hereby requested to give the subject of the revision of the tariff especial attention, and to report a bill which, if approved by Congress, will be a substitute for all acts imposing customs duties, and which will render the administration of this branch of the revenue system more simple, economical, and effective.

"In the discharge of this duty, you will consider the necessity of providing for a large, certain and permanent revenue, recollecting the fact that the existing tariff has proved most effective in this direction. You will therefore endeavor, first, to secure for the Government a revenue commensurate with its necessities; and, secondly, to propose such modifications of the tariff laws now in force as will better adjust and equalize the duties upon foreign imports with the internal taxes upon home productions. If this last result can be obtained without detriment to the revenue, by reducing taxation upon raw materials and machinery of home productions, rather than by increasing the rates of imports, it would, in my opinion, by decreasing the cost of production and increasing the purchasing power of wages, greatly promote the interests of the whole country."

There is no subject which has in times past provoked so much discussion, and in regard to which opinions have differed so widely, as the tariff. It has been a standing matter of sectional and political strife for nearly half a century, and the sentiment of the people in regard to it is still quite as much divided as when the discussion of it commenced. Always a complex and difficult question, it is particularly so at the present time. Prior to the rebellion it had no relation to internal taxes, for this form of federal taxation was then unknown to our people. It had little connection with the currency, for, until the year 1862, although the banks had repeatedly suspended specie payments, specie was the only legally-recognized standard of value in the United States. Now the question of the tariff is to be considered in connection with a permanent system of internal taxes and a depreciated, but it is hoped a temporary legaltender currency. It is obvious that a scale of duties upon imports which might have been sufficient, judicious,

and beneficial, when there were no internal federal taxes and business was conducted upon a specie basis, may be insufficient, injudicious and injurious now. A large revenue is at present indispensable for the payment of the ordinary expenses of the Government, the interest upon the public debt, and for a gradual and regular reduction of the principal. Free trade, although in accord with the principles of the Government and the instincts of the people, cannot be adopted as a policy as long as the public debt exists in anything like its present magnitude. The long-hoped-for period when there shall be no legal obstructions to a free exchange of commodities between the United States and other countries is still far in the future. Duties upon imports are not only necessary for revenue, but also for the protection of those home interests upon which heavy internal taxes are to be assessed. The question now before the country is therefore one of adaptation, rather than principle. How shall the necessary revenue be raised under a system of internal and external taxes without sustaining monopolies, without repressing industry, without discouraging enterprise, without oppressing labor? In other words, how shall the revenue be raised in a manner the least oppressive to the people, without checking the prosperity and growth of the country? The Secretary is not disposed to discuss the question in this report. This will, it is expected, be done elaborately and thoroughly in the report of the Commissioner. He desires, however, to call attention to a few important facts in regard to some branches of business in the United States, the consideration of which may tend to give a proper direction to the public mind upon a question so absorbing and important.

No single interest in the United States, fostered although it may be by legislation, can long prosper at the expense of other great interests. Nor can any important interests be crushed by unwise or unequal laws, without other interests being thereby prejudiced. For illustration: the people of the United States are naturally a commercial and maritime people—fond of adventure, bold, enterprising, persistent. Now, the disagreeable fact must be admitted, that, with unequalled facilities for obtaining the materials and with acknowledged skill in ship-building—with thousands of miles of seacoast, indented with the finest harbors in the world—with surplus products that require in their exportation a large and increasing tonnage—we can neither profitably build ships nor successfully compete with English ships in the transportation of our own productions. Twenty years ago it was anticipated that ere this the United States would be the first maritime power in the world. Contrary to our anticipations, our foreign commerce has declined nearly fifty per cent. within the last six years. The tonnage of American vessels engaged in the foreign carrying trade which entered United States ports was:

In 1860	tons. 5,921,295
In 1865	2,943,661
In 1866	3,272,080

The tonnage of such vessels which were cleared from the United States was:

In 1860	tons. 6,165,994
In 1865	3,025,134
In 1866	3,393,176

The tonnage of foreign vessels which entered our ports was:

In 1860	tons. 2,353,911
In 1865	3,216,997
In 1866	4,410,494

The tonnage of foreign vessels which were cleared was:

In 1860	tons. 2,694,005
In 1865	3,505,128
In 1866	4,438,384

It is true that a large proportion of this diminution of shipping and ship-building was the effect of the war. The great destruction of merchant vessels by rebel cruisers not only induced sales to neutrals, but discouraged building. After

the war, however, the scarcity of American vessels ought to have produced, and, but for a redundant currency and high taxes, would have produced activity in our ship-yards and a rapid increase of tonnage; but this has not been the case. The prices of labor and materials are so high that ship-building cannot be made profitable in the United States, and many of our ship-yards are being practically transferred to the British Provinces. It is only a few years since American ships were sought after, on account of their superiority and cheapness; and large numbers of vessels were built in Maine and other States on foreign account, or sold to foreigners, while, at the same time, our own mercantile marine was being rapidly increased. Now many of our ship-yards are abandoned, and in others very little activity prevails. It is true there has recently been some increase in our foreign tonnage, but a good part of this increase is apparent only, and is the result of the new rule of admeasurement. It is an important truth that vessels can be built very much cheaper in the British Provinces than in Maine. Nay, further, that timber can be taken from Virginia to the Provinces, and from these Provinces to England, and there made into ships which can be sold at a profit; while the same kind of vessels can only be built in New England at a loss, by the most skillful and economical builders. But the evil does not stop here; if the only loss was that which the country sustained by the discontinuance of ship-building, there would be less cause of complaint. It is a well established general fact, that the people who build ships navigate them, and that a nation which ceases to build ships ceases, of consequence, to be a commercial and maritime nation. Unless, therefore, the causes which prevent the building of ships in the United States shall cease, the foreign carrying trade, even of our own production, must be yielded to other nations. To this humiliation and loss the people of the United States ought not to be subjected. If other branches of industry are to prosper, if agriculture is to be profitable, and manufactures are to be extended, the commerce of the country must be restored, sustained and increased. The United States will not be a first-class power among the nations, nor will her other industrial interests continue long to prosper as they ought, if her commerce shall be permitted to languish.

The same causes—a redundant currency and high taxes—that prevent shipbuilding, tend to prevent the building of houses and even of manufactories. So high are prices of every description that men hesitate to build dwellings as fast as they are required, and thus rents are so advanced as to be oppressive to lessees, and the healthy growth of towns and cities is retarded. So it is in regard to manufactories. Mills which were built before the war can be run profitably, but so expensive are labor and materials that new mills cannot be erected and put into operation with any prospect of fair returns upon the investment, unless upon the expectation that taxes will remain as they are and prices be sustained, if they are not advanced. The same causes are injuriously affecting agriculture and other interests which it is not necessary to particularize. It is everywhere observed that existing high prices are not only oppressing the masses of the people, but are seriously checking the development, growth, and prosperity of the country. It is not denied that the losses which the country has sustained of able-bodied men by the war is one cause of existing high prices; but mainly they are the result of a redundant currency and high taxes.

To raise the large revenue which is now required, by systems of internal and external duties, which, working in harmony, shall neither repress industry nor check enterprise, and which shall be so devised as to make taxation bear most heavily upon those who are most benefitted by taxes and by the debt which renders taxation necessary, requires great practical knowledge and wise statesmanship. This subject, always an interesting one to the heavily indebted nations of Europe, has become, as one of the results of the war, deeply interesting to the people of the United States. The Secretary does not, as before stated, intend to discuss it, but he ventures to suggest that the following general principles, some of which have been acted upon by Congress, and the correctness of all of which has been proved by other nations, may be safely adopted as a guide to the legislation that is now required.

First—That the fewest number of articles, consistent with the amount of the revenue to be raised, should be subjected to internal taxes, in order that the system may be simple in its execution, and as little offensive and annoying as possible to the tax payers.

Second—That the duties upon imported commodities should correspond and harmonize with the taxes upon home productions; and that these duties should not be so high as to be prohibitory, nor to build up home monopolies, nor to prevent that free exchange of commodities which is the life of commerce. Nor, on the other hand, should they be so low as to seriously impair the revenues, nor to subject the home manufacturers, burdened with heavy internal taxes, to a competition with cheaper labor and larger capital which they may be unable to sustain.

Third—That the raw materials used in building and manufacturing, and which are to be largely enhanced in value by the labor which is to be expended upon them, should be exempted from taxation, or that the taxes upon them should be low in comparison with the taxes upon other articles. This is the policy of other enlightened nations, and it is believed that the diminution of direct revenue which it would involve, if adopted by the United States, would be more than made up by the augmented value which it would give to labor, and by the increase of productions and of exports which would be sure to result from it. It should be constantly borne in mind, that taxes upon raw materials directly increase the cost of production, and thus tend either to reduce the product of labor or to prevent exportations to foreign markets.

Fourth—That the burdens of taxes should fall chiefly upon those whose interests are protected by taxation, and upon those to whom the public debt is a source of wealth and profit, and lightly upon the laboring classes, to whom taxation and the debt are without so many compensatory advantages.

The next of the series of proposed remedies is an issue of bonds, bearing interest at the rate of not exceeding five per cent. and payable in Europe, to an amount sufficient to absorb the six per cent. bonds in foreign hands, and supply the European demand for United States securities for permanent investment. No one regrets more than the Secretary, the fact that so large an amount of our bonds is held abroad, or the unfortunate condition of our trade that has transferred them thither. The opinion that the country has been benefitted by the exportation of its securities, is founded upon the supposition that we have received real capital in exchange for them. This supposition is, to a great extent, unfounded. Our bonds have gone abroad to pay for goods, which, without them, might not have been purchased. Not only have we exported the surplus products of our mines and our fields, with no small amount of our manufactures, but a large amount of securities also, to pay for the articles which we have purchased from other countries. That these purchases have been stimulated and increased by the facility of paying for them in bonds, can hardly be doubted. Our importation of goods have been increased by nearly the amount of the bonds which have been exported. Not one dollar in five of the amount of the five-twenties now held in England and upon the continent, has been returned to the United States in the form of real capital. But if this were not a true statement of the case, the fact exists, as has been already stated, that some three hundred and fifty millions of Government bonds not to mention State and railroad bonds and other securities—are in the hands of the citizens of other countries, which may be returned at any time for sale in the United States, and which, being so held may seriously embarrass our efforts to return to specie payments. After giving the subject careful consideration, the Secretary has concluded that it is advisable that he should be authorized to issue bonds not having more than twenty years to run, and bearing a low rate of interest, payable in England or Germany, to be used in taking up the six per cents. now held abroad, and in meeting any foreign demand for investment that may exist. The question now to be considered is not how shall our bonds be prevented from going abroad, for a large amount has already gone, and others will follow as

long as our credit is good and we continue to buy more than we can pay for in any other way, but how shall they be prevented from being thrown upon the home market, to thwart our efforts in restoring the specie standard. The Secretary sees no practical method of doing this at an early day, but by substituting for them bonds which, being payable principal and interest in Europe, will be less likely to be returned when their return is the least desired The holders of our securities in Europe are now subject to great inconvenience and not a little expense in collecting their coupons, and it is supposed that five per cent. or perhaps four and a half per cent. bonds, payable in London or Frankfort, could be substituted for our six per cents. without any other expense to the United States than the trifling commissions to the agents through whom the exchanges might be made. The saving of interest to be thus effected would be no inconsiderable item; and the advantages of having our bonds in Europe placed in the hands of actual investors is too important to be disregarded

Fifth—The fifth and last remedy suggested is, the rehabilitation of the States recently in insurrection.

In alluding to this subject, the Secretary feels that he steps upon dangerous ground, and that he may be charged with introducing a political topic in a financial report; but, in his opinion there is no question now before the country more important in its bearings upon our finances than the political and consequently industrial status of the Southern States. Embracing, as they do, one-third part of the richest lands of the country, and producing articles of great value for home use and for exportation to other countries, their position with regard to the General Government cannot remain unsettled, and their industrial pursuits cannot continue to be seriously disturbed, without causing such a diminution of the production of their great staples as must necessarily affect our revenues, and render still more unsatisfactory than they now are, our trade relations with Europe. As long as the present anomalous condition of these States continues—as long as they have no participation in the Government, to the support of which they are compelled to contribute—it is idle to expect that their industry will be restored or their productions increased. On the contrary, there is reason to apprehend that until harmonious relations again exist between the Federal Government and these States, the condition of their industrial interests will become day by day more uncertain and unsatisfactory. There will be no real prosperity in these States, and consequently no real prosperity in one-third part of the United States, until all possess again equal privileges under the Constitution. Can the nation be regarded as in a healthy condition when the industry of so large a portion of it is deranged? And can the labor question at the South be settled as long as the political status of the South is unsettled? Can the national credit be elevated and the public debt be rapidly reduced unless the Southern States shall largely contribute to the public revenues, and can such contributions be relied upon as long as they remain in their present disfranchised condition? Will the tax-payers of the North continue to be patient, unless their burden of taxation can be lessened by being equally shared by the people of the South? Regarded thus as a purely financial question, the relation of these States to the Federal Union is an exceedingly interesting and important one, and as such it demands the calm and careful consideration of Congress

The Secretary has thus presented in such manner as his pressing official duties would permit, his views of the financial condition of the country, the causes of trouble, present and prospective, and the remedies for the same. If these remedial measures shall be approved by Congress, and enforced by appropriate legislation, he is confident that specie payments may be resumed by the time our interest-bearing notes are retired, which must be done in less than two years, and probably will be in a much shorter period.

These measures look to an increase of labor, and consequently of production—to a fulfilment of obligations by the Government and the Banks—to a reduction of the public debt at the same time that taxes are being equalized and lessened—to lower prices, and apparently harder, but really more prosperous times—to

a restoration of specie payments without the financial troubles which usually precede a resumption after a long period of suspension and inflation. The Secretary does not mean to assert that the adoption of all these measures (although he regards each as important) is absolutely necessary to return to specie payments, nor that other remedies may not be adopted by Congress to rescue the country from impending financial troubles. He presents, as he considers it to be his duty to do, his own views, and asks that they may receive careful consideration, and be adopted if they commend themselves to the wisdom of Congress, and rejected if measures better calculated to secure the desired end can be devised. The most sanguine and hopeful must perceive that the business of the country cannot for a much longer time be run upon the present high level with safety. The speculative interest, large and powerful in itself, is receiving daily new accessions of strength by the increase of individual credits; and when speculators and debtors control the financial policy of the country, a financial collapse is inevitable. These untoward and dangerous influences can now be resisted, and the true interests of the people require that they should be resisted promptly and decisively.

Unsatisfactory as is, in many respects, our condition, there is cause for congratulation that we have thus far escaped those severe financial troubles which usually befall nations at the close of expensive and protracted wars. With our vast resources and the buoyant and persistent energy of a free people, it will be our own fault if we do not escape them altogether.

The Secretary has pointed out the financial dangers around and before us, in order that they may be considered and avoided before they culminate in general disaster. Strong as is his conviction that we have been for some time, and still are, moving in the wrong direction, and that much of our prosperity is unreal and unreliable, his confidence in the ability of the country to right itself speedily is unshaken. We have but touched the surface of our resources—the great mines of our national wealth are yet to be developed. The experiences of the past four years have only assured us of our strength. It is only necessary that our true situation be understood in order that the proper remedies may be applied. There is no insurmountable obstacle in the way of restoration to perfect financial health, without the painful trials to which it is apprehended we must first be subjected. To be a co-worker with Congress and the people in effecting this most desirable result has been, and will continue to be, the highest aim of the Secretary.

After a careful survey of the whole field, the Secretary is of the opinion that specie payments may be resumed, and ought to be resumed, as early as the first day of July, 1868, while he indulges the hope that such will be the character of future legislation, and such the condition of our productive industry, that this most desirable event may be brought about at a still earlier day.

The following is a statement of the public debt, June 30, and October 31, 1866, exclusive of cash in Treasury:

Denominations.	June 30, 1866.	Oct. 31, 1866.
Bonds, 10-40's, 5 per cent. due in 1904	$171,219,100 00	$171,069,250 00
Bonds, Pacific R. R. 6 per cent., due in 1895 and 1896	6,042,000 00	9,852,000 00
Bonds, 5-20's 6 per cent, due in 1882, 1884 and 1885	722,205,500 00	823,944,000 00
Bonds, 6 per cent., due in 1868	$8,908,341 80	$8,290,941 80
Bond , 6 per cent., due in 1 67	9,415,250 00	7,742,800 00
Compound inter st notes, due in 1867 and 1868	159,012,140 00	149,512,140 00
7-30 Treasury notes, due in 1867 and 1868	806,251,550 00	724,014,300 00
Total	$883,587,281 80	$883,560,181 80
Bonds, Texas indemnity, past due, not presented	$559,000 00	$334,000 00
Bonds, Treasury notes, &c., past due, not presented	3,815,675 80	.....
Bonds, Treasury notes temporary loan, certificates of indebtedness, &c., past due, not presented	.....	36,604,909 21
Total	$4,374,675 80	$36,988,909 21
Temporary loan, ten days' notice	$120,176,196 65	.....
Certificates of indebtedness, past due, not presented	26,391,000 00	.....
Total	$146,567,196 65	.....

Bonds, 6 per cent., due in 1881	265,317,700 00	265,324,750 00
Bonds, 6 per cent., due in 1880	18,415,000 00	18,415,000 00
Bonds, 5 per cent., due in 1874	20,000,000 00	20,000,000 00
Bonds, 5 per cent, due in 1871	7,022,000 00	7,022,000 00
Navy pension fund, 6 per cent		11,750,000 00
Total	$1,210,231,300 00	$1,327,407,100 00
United States notes	$400,891,368 00	$390,195,785 00
Fractional currency	27,070,876 06	27,548,010 33
Gold certificates of deposit	10,713,180 00	10,896,980 00
Total	$438,675,424 96	$428,680,775 33
Total debt	$2,788,425,879 21	$2,681,636,966 34
Cash in Treasury	182,687,549 11	130,326,980 62
Receipts from customs	$110,000,000 00	
Receipts from lands	500,000 00	
Receipts from internal revenue	186,000,000 00	
Receipts from miscellaneous sources	20,000,000 00—	$316,5 0,000 00

The Secretary estimates that the receipts for the three quarters ending June 30, 1867, will be as follows:

The expenditures, according to his estimates, will be—

For the civil service	37,405,947 89	
For pensions and Indians	12,262,217 21	
For the War Department, including $15,000,000 for bounties.	58,804,657 05	
For the Navy Department	23,144,810 31	
For interest on the public debt	105,551,512 00—	$237,169,143 96
Leaving a surplus of estimated receipts over estimated expenditures of		79,330,856 40

The receipts for the next fiscal year ending June 30, 1868, are estimated as follows:

From customs	$145,000,000 00	
From internal revenue	265,000,000 00	
From lands	1,000,000 00	
From miscellaneous sources	25,000,000 00—	$436,000,000 00

The expenditures are estimated as follows:

For the civil service	$50,067,343 08	
For pensions and Indians	25,388,489 09	
For the War Department including $64,000,000 for bounties...	110,861,961 89	
For the Navy Department	30,251,605 26	
For leterest on the public debt	133,678,243 00—	$359,247,641 32
Leaving a surplus of estimated receipts over estimated expenditures of...		$85,752,358 68

In regard to the commercial intercourse between the United States and British America, the Secretary adheres to the general opinion expressed in his report of 1865, that until our revenue system is fully revised and adjusted to the financial situation of the country, this subject should not to be placed beyond the control of Congress, but should be left to concurrent legislation and such regulations as the Treasury Department may be authorized by law to prescribe. Another reason for arrangements thus flexible is presented by the uncertainty of the political situation of British America. The scheme of confederation, which proposes to transfer questions of revenue and external trade to a single central authority, has not been adopted, and the opposition to the measure may prevail with the new ministry of England, either to modify materially the terms of the Quebec convention, or to subject the whole measure to the hazards of a popular vote in the Provinces.

However the political problem may be solved, it is not unlikely that when the United States shall have simplified existing methods, and reduced existing rates of taxation, so as to receive the largest amount of revenue with the least burden to industry, British America will be prepared to undertake a system of public improvements along the channel of the St. Lawrence and through Northwest British America to the Pacific coast, which, by the financial necessities attending its adoption and the administration of a federal government, will suggest a Zollverein, or a complete assimilation of excise and custom duties on each side of the northern frontier. At present, inaction upon this subject would appear to be the true policy of the United States. * * * * * *

The Secretary is under obligations to the officers and clerks of the Department for the very satisfactory manner in which, with few exceptions, they have during the past year performed their important and responsible duties.

HUGH MCCULLOCH, Secretary.

Hon. Schuyler Colfax,
Speaker of the House of Representatives.

REPORT OF THE COMPTROLLER OF THE CURRENCY.

OFFICE OF THE COMPTROLLER OF THE CURRENCY,
WASHINGTON, 1866.

SIR: In compliance with the provisions of section 61 of the National Currency act, I have the honor to present through you to the Congress of the United States the following report:

Since the last annual report sixty-two (62) National Banks have been organized, of which fifty-one (51) are new associations, and eleven (11) are conversions of existing State Banks to the national system, making the total number organized up to October 1, one thousand six hundred and sixty three, (1,663)

The following table will exhibit the number of banks, with the amount of capital and circulation in each State and Territory:

States and Territories.	Organized.	Clos'g or clos'd.	Operation.	Capital paid in.	Bonds deposited.	Circulat'on issued.
Maine	61	....	61	$9,085,000 00	$8,396,250	$7,451,820
New Hampshire	39	....	39	4,715,118 07	4,727,000	4,121,253
Vermont	29	....	39	6,310,012 50	6,411,000	5,676,800
Rhode Island	62	....	62	20,364,300 00	14,144,6 0	12,369,850
Massachusetts	208	1	207	79,932,000 00	64,270,300	56,740,570
Connecticut	83	1	82	24,584,220 09	19,471 500	17,177,450
New York	313	5	308	116,267,941 00	75,970,400	67, 35,485
New Jersey	54	....	54	11,233,350 00	10,324,150	9,030,745
Pennsylvania	202	2	201	49,200,765 00	43,824,350	38,[illegible],640
Maryland	32	....	32	12,690,2?2 50	10,052,750	8,745,450
Delaware	11	....	11	1,428,185 00	1,348 2.0	1,179,300
District of Columbia	6	2	5	1,550,000 00	1,442,0.0	1,276,500
Virginia	20	....	20	2,500,000 00	2,397,030	2,0 4,900
West Virginia	15	....	15	2,216,400 00	2,2?8,750	1,9?0,650
Ohio	136	1	1 5	21,804,700 00	20,771,9.0	18,375,230
Indiana	72	1	71	12,8[illegible],000 00	12,400,850	10,888,280
Illinois	82	....	82	11,570,000 00	10,818,400	9,448,415
Michigan	43	1	42	4,935,010 00	4,818,600	[illegible],778,900
Wisconsin	37	....	37	2,933,000 00	2,848,750	2,512,750
Iowa	46	1	45	3,697,00 00	3,68[illegible],150	3,2?4,395
Minnesota	15	....	15	1,660,000 00	1,682,200	1,484,000
Kansas	4	....	4	325,000 00	332,000	269,000
Missouri	17	2	15	4,079,000 00	2,903,100	2,712,490
Kentucky	15	...	15	2,840,000 00	2,645,[illegible]00	2,311,210
Tennessee	10	....	10	1,700,000 00	1,[illegible]16,2.0	1,[illegible]66,790
Louisiana	3	....	3	1,800,000 00	863,0.0	727,000
Nebraska	3	....	3	200,000 00	180,00[illegible]	150,000
Colorado	3	....	3	350 000 00	134 0 0	59,?00
Mississippi	2	....	2	150,000 00	75,000	65,560
Georgia	9	....	9	1,700,000 00	1,[illegible]05,500	1,124,000
North Carolina	5	....	5	370,750 00	309,000	228,600
South Carolina	2	....	2	500,000 00	140,000	126,000
Arkansas	2	....	2	20 ,000 00	2 0,000	179,500
Alabama	3	....	3	500,000 00	304,0.0	262,500
Utah	1	...	1	150,000 00	5[illegible],00	44,970
Oregon	1	....	1	100,000 00	100,[illegible]00	88,500
Texas	4	...	4	548,700 00	403,500	337,750
Nevada & Montana	2	....	2	235,000 00	195,000	166,000
	1,663	16	1,647	$417,24[illegible],154 07	$332,467,700	$292,671,758

From the number of banks organized, heretofore stated to be sixteen hundred and sixty-three, should be deducted sixteen, leaving the number in active operation sixteen hundred and forty seven.

The banks to be deducted are the following:

NEVER COMPLETED THEIR ORGANIZATION SO AS TO COMMENCE BUSINESS.

The First National Bank of Lansing, Michigan.
The First National Bank of Penn Yan, New York.
The Second National Bank of Canton, Ohio.
The Second National Bank of Ottumwa, Iowa.

SUPERSEDED BY SUBSEQUENT ORGANIZATIONS WITH THE SAME TITLES.

The First National Bank of Norwich, Connecticut.
The First National Bank of Utica, New York.

IN THE HANDS OF RECEIVERS.

The First National Bank of Attica, New York.
The Venango National Bank of Franklin, Pennsylvania.
The Merchants' National Bank of Washington, District of Columbia.

CLOSED AND CLOSING UNDER THE PROVISIONS OF SECTION 42 OF THE ACT.

The First National Bank of Columbia, Missouri.
The First National Bank of Carondelet, Missouri.
The First National Bank of Leonardsville, New York.
The National Union Bank of Rochester, New York.
The Pittston National Bank, Pittston, Pennsylvania, consolidated with the first National Bank of Pittston, Pennsylvania.
The Berkshire National Bank of Adams, Massachusetts, consolidated with the First National Bank of Adams, Massachusetts.
The Fourth National Bank of Indianapolis, Indiana, consolidated with the Citizens' National Bank of Indianapolis, Indiana.

An abstract, by States, of the quarterly returns made to this office for the quarters ending January 1, April 2, July 2, and October 1, 1866, with a detailed statement of the condition of each bank at the close of the last quarter, is herewith submitted.

A statement showing the names and compensation of the clerks and employes, and the total expenses of the bureau for the fiscal year ending June 30, 1866, is also appended.

Two banks which had given notice of going into liquidation under section 42 of the act, prior to the date of the last report, have paid over to Treasurer of the United States the amount of their outstanding circulation in lawful money and taken up the bonds which they had on deposit with the Treasurer for the security of such notes, as follows, viz:

The First National Bank of Columbia, Missouri, $11.990.

The First National Bank of Carondelet, Missouri, $25,500. These banks are now closed.

During the past year the First National Bank of Leonardsville, New York, and the National Union Bank of Rochester, New York, have voluntarily given notice of going into liquidation as required by law.

The First National Bank of Leonardsville has a

Capital of	$50,000
Bonds deposited	50,500
Circulation	45,000

The National Union Bank of Rochester has a

Capital of	$400,000
Bonds deposited	250,000
Circulation	192,500

The Merchants's National Bank of Washington and the Venango National Bank of Franklin, Pennsylvania, having failed to redeem their circulating notes when presented for that purpose, have been placed in the hands of receivers as required by law. The circumstances attending the failure of these two banks were fully investigated and reported by a committee of the House of Representatives during the last session of Congress.

The receiver of the First National Bank of Attica, New York, has brought

his labors nearly to a close, and a dividend will be declared to the general creditors of the bank on or about the first of January, 1867. The bonds deposited to secure its circulating notes, namely, $31,500 of six per cent. and $18,500 of five per cent bonds, were sold at public auction in the city of New York on the 8th day of October last, in accordance with the provisionsof section forty-eight of the Currency act. The net amount realized from the sale was $51,556 25. Of this sum, $44,000 was deposited with the Treasurer of the United States for the redemption of the outstanding circulation of the bank, and, under instructions of the receiver, $7,556 25 was paid into the treasury, according to the provisions of section fifty of the act for the benefit of the general creditors of the bank. The amount of outstanding circulation redeemed to October 1 was $5,320.

With these exceptions the national banks throughout the United States seem to be in a sound and healthy copuition, as evidenced by their quarterly reports to this office, verified by careful examinations made by agents appointed for that purpose. Their total resources on the 1st of October last were $1,525,493.960 their liabilities to the public for circulation and deposits were $1,024,274,386; leaving a surplus of $501.221,574 for capital and earnings, which are likewise a pledge for the payment of all debts to the public.

The increase of capital bonds, and circulation of national banks for the year ending October 1, 1866, has been as follows:

Increase of capital paid in	$21,515,557
Increase of bonds deposited to secure circulation	56,247,750
Increase of circulation issued	101,834,698

This statement shows an increase of something more than one hundred millions of national currency; but during the same period national banks which have been converted from State banks have retired fully fifty millions of their State circulation, making the actual increase in the volume of currency only about fifty millions.

To correct a misapprehension which exists in the minds of many that the entire amount of national circulation issued has been added to the volume of currency, it may be well to take into consideration the amount of State bank circulation at a period just prior to the inauguration of the national system. The bank circulation of the United States in January, 1862, was one hundred and eighty-four millions of dollars, distributed as follows:

Northern and Western States	$144,000,000
Southern States	40,000,000

Subsequent to this date no further returns were received from the Southern States.

Immediately following the suspension of specie payments there was an expansion of bank note circulation, which reached, in January, 1863, in the Northern States alone, two hundred millions of dollars, making an increase in one year of fifty six millions. Relieved of all liability to redeem, the evident tendency of the banks was to still greater expansion. No reliable returns later than January, 1863, are accessible; but the prevailing tendency of the times towards inflation, and the great temptation to banks to avail themselves of the opportunity to put in circulation very large amounts of their notes, without any restraints in the way of redemptions, would favor the opinion that this was not the highest point reached by the circulation of State banks. The forty millions of currency in the Southern States may now be added, giving an aggregate of two hundred and forty millions State bank circulation, which has been in great part replaced by national currency. Without making any invidious comparisions, it is no injustice to say that the substitution of a currency based upon United States bonds, secure beyond any contingency, for the miscellaneous issues of State banks, has done much towards sustaining public confidence, and preventing distrust and possible financial disaster.

REDEMPTION.

The law as it now stands provides for the redemption of national currency in the cities of St. Louis, Louisville, Chicago, Detroit, Milwaukee, New Orleans, Cincinnati, Cleveland, Pittsburg, Baltimore, Philadelphia, Boston, New York, Albany, Leavenworth, San Francisco and Washington. An amendment to the law was proposed during the last session of Congress, requiring all National banks to redeem either in Boston, New York or Philadelphia, but was postponed until the present session. Some system of practical and effective redemptions is desirable for the preservation of a healthy currency, and as a safeguard against redundancy. Under the existing requirements, thirteen hundred and twenty banks out of sixteen hundred and forty-seven voluntarily redeem in New York, Boston and Philadelphia The banks represent two hundred and forty millions of currency, of which three-fourths are redeemed in New York.

The same arguments urged in favor of requiring redemptions in these *three* cities would, if carried to their logical conclusion, establish the expediency of requiring redemptions at *one* central point. Every national bank in the United States is obliged by the necessities of business to keep an account in New York city, clearly showing the current of trade and the tendency of money, and affording evidence that New York is the great commercial and financial centre.

A currency of uniform value in all sections of the Union is of the highest importance to the commercial and industrial interests of the country. The notes may be of uniform design and have the same ultimate security, but these conditions, though steps in the right direction, will not compass the end in view, unless the notes are available at par for the payment of debts and settlement of balances at the financial centre.

Banks of issue are a necessity of our financial system, recognized, encouraged and protected by the Government for the public good. In return for privileges conferred they should be required to make their issues conform to the demands of trade. The demands of trade require currency that will pay debts at the centre of trade. If the banks do not furnish a circulation that will conform to this standard, their issues will be depreciated and the loss will fall upon the business of the country.

The question is whether this tax shall be borne by the people, while the banks reap the profit, or whether the banks shall perform their whole duty by furnishing a currency which shall be available for the payment of debts everywhere, and thus complete the conditions necessary for a "uniform value." This question is one of growing importance, and one that presses for an early solution.

National banks in Boston, New York and Philadelphia recognize their obligations to meet every demand in lawful money of the United States, whether it be gold and silver or legal tender notes. They are obliged by law to receive in payment of debts the notes of every other National bank; but they cannot compel their customers to receive the same notes for their balances due from the banks; and here lies a difficulty which will subject the banks in those cities periodically to very great embarrassment.

The tendency of money to accumulate in these centres of trade —except at certain seasons of the year, when it is needed to bring forward the products of the Middle, Western and Southern States—is a fact which cannot be questioned. These banks are obliged to receive all that is offered, but cannot pay it out. An escape from this dilemma may be found in either of three different ways. First, the banks may be relieved from the obligation to receive this currency in payment of debts; or, secondly, national currency notes may be made a legal tender from the bank to its customers; or else, thirdly, national currency may be kept at par by redemption at the great centres of trade.

Without discussing the expediency of acting in accordance with either of the two suggestions first named—because the first method would leave the currency in a worse condition than it now is, and because the second method would be arbitrary, and would place national bank notes on a par with United States

notes, the necessity for which is not apparent at this juncture—the natural and most feasible method would seem to be that requiring the banks to keep their own issue at par by redemptions as above stated.

Under existing circumstances this requirement cannot be onerous; lawful money, which now stands as the representative of specie, as the agency of redemptions, being materially in excess of the currency to be redeemed, would make the inauguration of a system of central redemption feasible and practicable to an exceptional degree. Four-fifths of the banks have voluntarily recognized the propriety and expediency of such a course by selecting their redemption agencies in New York, Philadelphia and Boston. Justice requires that those banks which are willing to conform to the highest standard should be sustained; and this can be done effectually only by requiring all to place themselves on the same ground. It is questionable, however whether this object would be best attained by the plan proposed in House bill No. 771, which was postponed to the present session. This bill provides that every bank shall redeem its circulating notes at an association in one of the seventeen cities named in section thirty-one of the currency act, but that each bank in those cities shall redeem in New York, Philadelphia, or Boston, its own notes and the notes of every other bank for which it may be the redemption agent. The object of the last provision is indirectly to compel every bank to redeem either in New York, Philadelphia or Boston; not so indirectly, however, but that its purpose is perfectly evident, and therefore open to every objection that would be urged against a direct requirement of law to that effect.

In recommending redemptions in New York, there is no intention to ignore the claims of any other section of the country. There are cities of great commercial importance in the Middle, Western, and Southern States, whose financial interests demand consideration. The notes of banks located in those cities are, by the provisions of the law as it now stands, redeemable in New York, and the managers of those banks would not have it otherwise. If the law did not require it, they would voluntarily redeem there. The proposed amendment only requires all other banks to do the same thing. It will give those cities and the banks in those cities a currency that is worth par in New York, instead of a depreciated currency that would be a continual clog upon all business operations.

If any particular section is not tributary to New York the fact that the banks of that section are required to redeem in New York will not make it tributary, but will make such redemptions easy and in nowise burdensome. The commercial importance of any place will force its own recognition; money can be drawn from it only for the payment of its debts. Trade flows in natural channels, and money goes with it; wherever trade centres, there money will accumulate sufficiently for its wants.

If money is arbitrarily concentrated contrary to this principle, it will flow back again, just as water will find its level. If the argument against redeeming in New York is based upon the preponderating importance of any other place as a centre of trade, it ceases to be an argument, as, in the natural order of things, the circulation issued by banks in that place will be worth more at home than at any other point, and will go home for the payment of balances rather than to New York for redemption; consequently there will be no hardship in the requirement. If the argument is not based upon that assumption, it is an argument for the other side of the question: for if it is a hardship to redeem in New York, the hardship is evidence of the necessity.

If all national banks are required to redeem their issues in New York, reciprocal obligations will be imposed upon the banks of that city. The balances kept in those banks will amount, in the aggregate, to a very large sum, and there will be competition between them for the accounts of the country banks. Such competition already exists, and has led to the dangerous practice of paying interest on deposits. This practice is condemned by all prudent bankers; but where one does it others must do it, or lose the accounts of good correspondents.

A bank that pays interest on current balances is obliged to keep its funds in

constant use, or lose money. In order to do this, loans payable on call are made upon collateral security of more or less value; and there is so much competition for such loans that it has the effect to lower the standard of security required. Everything which causes extraordinary facilities in monetary transactions tends to produce excitement, overtrading and speculation, sure to bring compensation sooner or later, if not checked, in pressure, distress and disaster. Loans of this description are made chiefly to speculators, and that is reason enough why the practice should be regarded as unsafe. Conservative banks should not countenance or aid speculation; and New York City banks, made by law the custodians of the available means for redeeming the circulation of all the banks in the United States, should be the most conservative of all banks. They should not be allowed to jeopardize the funds of the country banks 'by loaning them for speculation, and they would not, if they were not obliged to pay interest on them. Stop the payment of interest, and the temptation to make improper use of such funds is removed.

The only way in which the evil in question can be reached, if it can be remedied at all, is by a law prohibiting every national bank from paying or receiving interest on bank balances, and the propriety of such a law is recommended to the consideration of Congress.

Concurrently with a practicable system of redemptions, a gradual reduction of the volume of legal-tender notes would operate beneficially upon the character of the national currency, by checking its expansion beyond the necessities of business. If legal-tenders were reduced to such an extent that the amount in circulation should not exceed the sum required to perform the functions of lawful money as the substitute for specie, redemptions would be more stringent, and banks would be compelled to regulate their issues by the demands of trade.

A law enacted during the last session of Congress provides that the Secretary of the Treasury may diminish the volume of the United States notes in circulation, not to exceed four millions of dollars in any one month. Taking four hundred millions as the point from which the diminution commences, a regular reduction of four millions each month would leave at the expiration of two years three hundred millions of legal-tender notes in existence'; or one dollar in lawful money for the redemption of each dollar of national currency authorized. This ratio would hardly render redemptions sufficiently stringent to produce much effect on bank circulation; but if this point could be reached by the expiration of one year, the effect would be more decided

Four millions per month would be at the rate of one hundred and thirty three thousand dollars per day; but if bankers should see the means for the redemption of their issues diminishing at the rate of two hundred and sixty thousand dollars per day, they would naturally and unavoidably curtail their circulation to the lowest point their business would permit, and the benefits arising from a practical system of redemptions would begin to be realized.

This proposition is based upon the presumption that it will be the policy of the government to withdraw all its notes issued for circulation as fast as it shall have the power to do so. The fact is not overlooked, however, that an opinion prevails to some degree adverse to this view of the case. It is frequently and strenuously urged that the government should keep its notes in circulation, and thus have the use of so much money without interest.

It is proposed very briefly to consider this question. United States notes originated in the necessities of the government, not in the necessities of trade and commerce. Their amount was regulated, not by the business necessities of the country, but by the necessities of a great emergency, and was only limited by reaching the maximum of expenditure during a time of war. The amount issued was entirely arbitrary, so far as the business interests of the country were concerned, and altogether in excess of the demands of trade, as is evident by the high prices borne by every kind of commodity, and from the surplus of money subject to the control of speculators. This currency cannot contract or expand from natural causes. It was issued to save the country from bankruptcy

during a protracted struggle with armed rebellion, and can only be contracted by legal enactment of Congress. There is no element about it in sympathy with the commercial and industrial interests of the country.

The power of issuing notes to circulate as money is too dangerous to be placed at the mercy of political parties in a government like ours, and is fraught with possibilities of corruption and disaster calculated to excite the gravest apprehension in the minds of prudent men. Having served the purpose for which it was called into existence, provision should be made for its withdrawal.

On the other hand, banks are in direct sympathy with trade, dependent upon it for their profits; they meet its wants by discounts and by furnishing a circulating medium; if currency is issued in excess of the demand, it is immediately returned for redemption, and contracts and expands as trade requires In a word, banks are amenable to the laws of trade, while the government issues are not.

Furthermore, the banks have rendered important aid to the government throughout the war, and they have been largely instrumental in developing our national resources and increasing our national wealth The managers and stockholders comprise a large, useful and public-spirited class in the community, numbering over 200,000 citizens. During the past year they have loaned to the business of the country an average of $600,000,000. They now hold one-fourth of the entire indebtedness of the United States. They have redeemed and returned to the treasury of the United States over fourteen millions of mutilated legal-tenders, and have redeemed twenty-five millions of 7 30 coupons, to the very great convenience of both the public and the Treasury Department. They have been instrumental in placing in the hands of the people more than eleven hundred millions of United States securities. They have received and disbursed from the revenues seventeen hundred and seventy-four millions of public moneys free of expense to the government.

The expense of transporting and concentrating for disbursment this immense sum by ordinary means, without the agency of National banks, would have been, at a moderate estimate, not less than three millions of dollars.

The net loss sustained by the government through the failure of two banks, which were depositories of public moneys, will probably not exceed six hundred thousands dollars, or about one-thirtieth of one per cent. of the total amount involved, and about one-fifth of the amount it would have cost the government to do the business without the aid of the banks.

From this statement it will be evident that National banks, although organized and managed by individuals for their own profit, are yet capable of rendering important services both to the government and to the public, and have demonstrated their entire willingness to perform such service; and that if losses have occurred to the Government through their agency, the amount is small compared with the outlay that would have been necessary to carry on the business without them.

DISTRIBUTION OF THE CIRCULATION AUTHORIZED BY LAW.

The original act of March 25, 1863, provided for an apportionment of the National currency to the several States and Territories as follows: one hundred and fifty millions according to representative population, and one hundred and fifty millions according to banking capital resources and business.

This requirement was repealed by the act of June 3, 1864, which left the distribution to the discretion of the Comptroller of the Currency. By the amendment of March 3, 1865, the clause requiring an apportionment to be made was reenacted, but at the same date an amendment to section 7 of the Internal Revenue Act provided that all existing State banks should have the right to become National banks, and should have the preference over new organizations up to the 1st day of July, 1865.

These two amendments were not in harmony; for, if the apportionment was made as required by the amendment to section 21, the State banks then in existence could not have been converted without exceeding in many instances the amount of circulation apportioned to the different States. But, as it seemed to be the intention and policy of the act to absorb all existing banking institutions, rather than to create new banking interests in addition thereto, the Comptroller of the Currency so construed the

amendments as to permit the conversion of State banks without limitation. The effect of this action was to make a very unequal distribution of the currency, some of the States receiving more than they were entitled to by the apportionment, and leaving but a very limited amount to be awarded to the Southern and some of the Western States.

Now, as the government has assumed entire control of the currency of the country, involving a direct supervision of its banking interests, it becomes the duty of the government to provide adequate bank facilities to all sections. The states lately in rebellion not being in a condition to avail themselves of the privileges granted in the National Currency act at the time when they were offered, and when it was still possible to obtain them, are now left almost entirely destitute of currency and banking facilities. This deficiency is the occasion of great inconvenience and loss to the people of those states, and it is very desirable, for many reasons, that it should be supplied.

First. It is important to all sections of the country, particularly to the Northern States, that the South should be supplied with all the facilities necessary for the production of the great staples of that section, because the export of these staples would reduce the exportation of gold.

Second. Although, to a limited extent, means are supplied by capitalists from other sections for the productions of this region, yet the supply is not equal to the demand, and foreign capitalists are thus enabled to gain entire control over a very large proportion of valuable products, yielding large profits to themselves, and leaving the country barely the cost of the production. This state of things naturally causes much discontent and dissatisfaction among the producers.

Third—Prosperous industry is the most speedy and certain remedy for the existing evils in the Southern States. It will allay bitterness of feeling, dissatisfaction with the results of the war, and promote contentment among the people. The assistance that could be rendered for the promotion of this end by local banking associations would be important both in character and extent. Besides, a community or identity of financial and pecuniary interests would bring into exercise an element of great power for the assimilation of the aims, purposes and hopes of all the people of all the States. The extension of the National banking system throughout the entire Union would bring about such an identity of interest in the credit of the Government, and of the entire system of banks, as would secure the active and zealous co-operation of all sections toward the preservation of such credit unimpaired.

Two methods have been suggested by which the Southern States can be supplied with banking facilities. One is by an equalization of the circulation already authorized by law among the different States and Territories. To this plan there are two serious objections: First, the question arises as to the right of Congress to rescind any portion of the contract made with National Banks at the time of their organization, by abrogating or restricting any of the rights secured by them in compliance with the law. It is true that Congress expressly reserved the right at any time to "amend, alter, or repeal" the National Currency Act. The Act of February 25, 1863, under which quite a number of banks were organized, was repealed by the Act of June 3, 1864. But the repealing act contained this saving clause: "Such repeal shall not affect any appointment made, acts done, or proceedings had, or the organization, acts, or proceedings of any associations organized, or in process of organization, under the act aforesaid;" thus recognising the principle that the repeal should not affect any rights secured under the former act.

It is not proposed to enter into any elaborate argument upon this question, but merely to suggest the doubts which may arise in connection with any legislation looking to an equalization of the national currency by withdrawing it from banks which have secured the right in strict conformity to law.

The second objection is this; that, granting the right of Congress to withdraw circulation, as above stated, the plan is impracticable as a measure of present relief, owing to the impossibility of securing the return of a sufficient amount of circulation within the necessary time. National currency notes, when once put in circulation, are scattered from the Atlantic coast to the Rocky Mountains, and from St. Lawrence to the Gulf. No one ever looks to see by what banks the notes are issued, and, there being no established system of redemptions, they are not and will not be returned to the bank of issue until they become so mutilated as to make them difficult to circulate.

The second plan suggested is, by an increase of the amount of circulation to be issued. This plan is met by the assertion that it would tend directly to a further infla-

tion of the currency. But this objection may be obviated by proper care in so adjusting the increase that it shall not at any time, or in any month, exceed the amount by which legal-tender notes are diminished. If the proper mission of legal-tenders were fully understood, and the necessity of placing our currency on a permanent basis—either of specie or legal-tenders, which stand as the substitute for specie—were properly appreciated, there would be no difficulty in providing for the proper reduction of the volume of legal tenders so as to have room for a very moderate increase of national currency, and yet secure a net reduction in the whole volume of the currency.

The well-known views of the Secretary of the Treasury on this subject, based upon the soundest principles of financial policy, only need to be seconded and carried out by Congress in order to make the plan suggested entirely safe and feasible.

Bearing in mind the regular monthly reduction of legal tenders at the rate of four millions per month, as provided for by law, an increase of national currency not to exceed twenty five millions, to be issued at the rate of one or two millions per month, would probably meet all the wants of all the States for two years to come. As this seems to be the only practicable method for the accomplishment of what is generally admitted to be a desirable end, it is respectfully recommended to the favorable consideration of Congress. If, eventually, the amount of national currency thus increased appears to exceed the requirements of the country, the system of redemptions recommended will unerringly correct the evil, and ultimately bring about that equalization of national currency among the different States and Territories which cannot be effected by immediate and arbitrary measures.

AMENDMENTS.

There are many requirements and restrictions contained in the National Currency Act, a strict compliance with which is essential to the safety and success of the system. The Comptroller of the Currency is expected to see that all the provisions of the law are enforced, but in a majority of instances is left without the power to compel obedience in case of persistent neglect or wilful disregard of the law on the part of the banks. To remedy this defect certain amendments are suggested:

First—An amendment to section 18 authorizing the appointment of a receiver, whenever satisfactory evidence is furnished that any association is not carrying on the proper business of banking; that any of its reports required by law have been false or fraudulent; that its funds have been wilfully misapplied by the officers or directors in violation of law, or that it has committed any act of insolvency.

Second—An amendment to section 29, extending the provisions contained therein so that the limitation to one-tenth of the capital shall apply to all liabilities for money loaned or deposited, except balances due from one national banking association to another. Large amounts are frequently placed in the hands of private bankers, ostensibly in the regular course of business, but really, in a majority of instances, because private bankers, not being restricted in their operations by law, are able to offer greater inducements for the use of money; or, as is not unfrequently the case, private bankers have secured a controlling interest in a bank to divert its funds from legitimate banking, and use them in speculation, &c. Every national bank that has failed may trace its ruin to excessive deposits with private bankers and brokers, and there is urgent necessity for such an amendment to section 29 as will prohibit this practice.

Third—An amendment to section 34 doing away with quarterly statements, and requiring monthly statements showing the condition of each bank in detail. The present monthly statements are much too vague and general to be of practical benefit, while the quarterly reports now required, coming at comparatively long intervals and upon certain specified days, enable banks to prepare for a good exhibit upon those particular days. If detailed reports were required monthly the preparation on the part of the banks to make a good showing would be almost constant, and the Comptroller of the Currency would be enabled to exercise much greater vigilance in carrying out the provisions of the law.

Provision should also be made for the collection of penalties imposed for delinquencies in making reports, and for the disposition to be made of the funds arising from such penalties when collected.

Fourth—An amendment to section 38, providing that where the capital stock of an association has become impaired by losses or otherwise, it shall be the duty of the directors to reduce the nominal capital and the circulation of the bank in such an amount as may be necessary, so as to represent the actual capital of the association, as provided in section 13 of the act, or, upon a vote of the stockholders owning two-

thirds of the capital stock of the bank, to make a *pro rata* assessment upon the stockholders for an amount sufficient to make up the loss sustained; and in case of failure to do one or the other within thirty-days after the amount of the loss is ascertained, the Comptroller of the Currency may appoint a receiver to wind up the affairs of the bank.

Fifth—An amendment to section 59, making it a penal offence for any person to have in his possession, with intent to pass or utter, any false, forged or counterfeit national bank note and requiring every national banking association to cause every counterfeit note that may be presented at its counter to be stamped with the word "counterfeit."

The forms for these amendments, and for such changes in the law as may be necessary to provide for redemption in New York city, or in the cities of New York, Boston and Philadelphia as may be deemed most expedient, and to provide for the issue of circulating notes to banks that may be organized in states unsupplied with banking facilities, are not reported; but the views expressed upon those points are submitted for such action as may be judged best adapted to secure the ends proposed.

In conclusion, I have only to state that the national banking system is now fully inaugurated and in successful operation. The first bank was organized in June, 1863. There are now in active operation sixteen hundred and forty-seven, with an aggregate paid in capital of four hundred and eighteen millions, which is owned by two hundred thousand stockholders. The system has the confidence of the people, because it furnishes a currency of uniform value in all parts of the country. It has superseded all existing state banking systems, and places the entire control of the currency of the country in the hands of the federal government. It has proved, during its three years of existence, a most important auxiliary in the financial operations of the Treasury Department.

A system that has grown into such magnitude in so brief a time, involving interests so vast and so vital to every portion of the community, demands a careful consideration and deliberate action. It may not be perfect, for it was devised by men, but it embraces all the best provisions and safeguards of the banking systems of the several states, and experience and careful study have developed but few defects.

H. R. HULBURD,
Deputy and Acting Comptroller of the Currency

HUGH MCCULLOCH, Secretary of the Treasury.

FUNDED DEBT OF PHILADELPHIA.

The following is an official exhibit of the funded debt of the city of Philadelphia and assets, November 1, 1866:

To amount of city loans outstanding Nov. 1, 1866	$35,981,799 24
To amount authorized but not issued for special purposes, viz.: school, water, gas, &c.	2,277,800 00
Total	$38,259,599 24
By cash in hands of Sinking Fund Commissioners	$559,873 50
By city loans	2,736,137 50
By other securities, valued at	18,961,345 00
By outstanding taxes collectable	860,000 00
Balance	15,152,744 43
Total	$38,259,599 24

ASSETS OF THE CITY OF PHILADELPHIA FOR THE YEAR 1866.

Cash on hand Nov. 1, 1866	$538,446 46
Estimated receipts of registered taxes in 1867	400,000 00
Estimated receipts from sources other than taxes prior to January, 1867, and for the year 1867	1,627,670 00
Estimated receipts from taxes and registered taxes prior to January, 1867	450,000 00
Estimated receipts from Trustees of Gas Works for 1867	185,000 00
Total	$3,201,110 46
Amount required to be provided from taxes or by loan	$7,604,351 58
By funding $1,500,000, leaves to be provided from taxation	$6,104,351 58

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer's returns in the Treasury Department, on the 1st of October, 1st of November and the 1st of December, 1866, comparatively :

	Oct. 1.	Nov. 1.	Dec. 1.
DEBT BEARING COIN INTEREST.			
6 per cent. bonds	$198,091,350	$198,091,350	$198,091,350
" " of 1867 and 1868	18,328,592	16,083,742	15,837,942
" " of 1881	283,738,750	283,739,750	283,740,000
" " 5.20's	798,162,250	823 944,000	861,64 ,300
Navy Pension Fund	11,750,000	11,75 ,0 0	11,750,000
	$1,310,065,94	$1,333,558,842	$1,371,068,592
DEBT BEARING CURRENCY INTEREST.			
6 per cent. bonds	$8,922,000	$9,882,000	$10,302,000
Temporary Loan	22,500,000	.....	.....
3-year Compound Interest Notes	155,512,140	148,512,140	147,387,140
3-year 7.30 notes	743,996,050	734,014,300	699,933,750
	$930,930.190	$892.408,440	$857,622,890
DEBT ON WHICH INTEREST HAS CEASED.			
Various bonds and notes	$23,302,372	$36,968,909	$22,606,794
DEBT BEARING NO INTEREST.			
United States Notes	$399,165,292	$390,195,785	$385,441,819
Fractional currency	27,029,273	27 588.010	28,620,249
Gold certificates of deposit	11,057,640	1 ,896,980	19,626,580
	$437,252,205	$428,680 775	$433,608,598
Aggregate debt	$2,701,550,709	$2,681 636,966	$2,684,995,875
Coin and Currency in Treasury	128,213,767	130,326, 6	135,364 637
Debt, less coin and currency	$2,573,336,941	$2,551,310,000	$2,549,631,238

The following statement shows the amount of coin and currency separately at the dates in the foregoing table :

	Oct. 1.	Nov. 1.	Dec. 1.
Gold Coin	$86,259,909	$99,413.018	$95,168,816
Currency	41,953,858	30,913 942	40 195,821
Total gold coin andcurrency	$128,213,767	$130,326,960	$135,364,637

COMMERCIAL CHRONICLE AND REVIEW.

State of the Markets—Merchandise Market Dull—Decline in Prices—Stock Exchange—Monetary Affairs—Course o United States Bonds and Consols—Course of Gold and Exchange—Railroad Earnings, etc.

November has been chiefly remarkable for an unsettled condition of the markets, the result of a combination of circumstances.

In the merchandise markets a dullness has prevailed, not to be adequately accounted for from the natural falling off in business which usually occurs in November. In most branches of business stocks are found to be larger at this late period of the Fall business than was anticipated ; and as it is not deemed safe to carry over goods at the current high prices, there has been an effort to realise upon both domestic and foreign merchandise at a heavy sacrifice. The serious losses upon some kinds of goods have brought home to manufacturers the conviction that the current rate of production can not be sustained concurrently with the existing high range of prices ; and there has, consequently, been developed a very general disposition to curtail production. The cotton mills are

producing much less, and the woolen manufacturers have very generally resolved upon either closing their mills entirely for a few weeks, or reducing the time of working to about eight hours per day. The development of this policy has produced at the close of the month a somewhat improved tone in the goods markets, but in nearly every branch of the jobbing trade the disposition, notwithstanding, is to realise upon goods, and to close the year with the smallest possible stocks. It appears to be very generally understood among both manufacturers and merchants, as well as by the consuming public, that we have now passed the climax of high prices, and that henceforth there must be a persistent fall in the value of all products. This idea, of course, produces special caution in the matter of credits, and has a depressing effect upon every branch of business; but its tendency is nevertheless to avert any severe convulsions in the markets from a sudden and extreme fall in values. The following comparison shows the prices of certain leading products at the close of October and of November:

		Oct. 31.	Nov. 30.
Four, shipping	bbl.	12 25 @13 00	10 80 @11 40
Wheat, Amber State	bush.	2 75 @ 3 25	2 70 @ 3 00
Corn, Mix d Western	"	1 30 @ 1 33	1 20 @ 1 21
Pork, Prime Mess	bbl.	32 25 @35 00	21 00 @21 50
Beef, " "	"	13 50 @18 50	12 00 @18 00
Tallow, American	lb..	00 12 @00 12¼	00 11¼@00 12
Lard, Western	"	00 13¼@00 15¼	00 12 @00 14
Coal, Anth	ton.	8 50 @ 9 50	7 50 @ 9 00
Cotton, Mid. Upland	lb..	00 39 @— —	00 33½@— —
Brown sheetings	yard.	00 23 @— —	00 21 @— —
Printing cloths, 61x64	"	00 13¼@— —	00 12½@— —
Petroleum	gall.	00 22 @— —	00 21 @— —
Wool, Savony fleece	lb..	00 52 @00 67	00 50 @00 65

Monetary affairs have been unsettled almost to the verge of panic. A very unusual activity in stocks has called for an enlarged amount of accommodation from the banks; while, at the same time, there has been a steady loss of legal tenders, the reduction from Oct. 27 being $16,705,671; and under these circumstances the rate of interest on demand loans steadily advanced from 4 per cent. to 7 per cent. This tendency toward stringency was, however, violently stimulated by the Treasury calling in a large amount of funds from the bank depositories, and at the same time selling gold, resulting in the withdrawal of about $15,000,000 of currency into the Treasury. This process produced a general derangement of loans, and compelled a realizing upon securities, with a consequent fall of 8@10 per cent in values on the Stock Exchange. Very heavy losses were entailed upon speculative dealers in stocks, who proved to be not the brokers but their customers; and the month closes with a general weakness in railroad and miscellaneous securities. The aggregate transactions of the two last months compare as follows:

	October.	November.
Shares, sold at Regular Board	1,421,880	1,221,315
" " at Open Board	1,652,226	1,497,308
Total sold at both boards	3,074,106	2,718,623
Government Bonds sold	$10,282,300	$8,337,580
" Notes "	2,703,950	2,973,550
State and City Bonds "	2,792,300	2,576,400
Railroad and other Bonds sold	1,234,700	1,365,600
Total Bonds and Notes sold	$17,012,580	$15,253,100

The following are the closing quotations of the leading stocks on Friday of the last seven weeks:

	Oct. 19.	Oct. 26.	Nov. 2.	Nov. 9.	Nov. 16.	Nov. 23.	Nov. 30.
Cumberland Coal	58¼	61	67¼	69¼	....	66	....
Quicksilver	55¾	56	55½	53¾	51	46	44¼
Canton Co.	...	53	55¾	57	54¼	45¾	...
Mariposa pref	29¼	31¾	31	29¼	28¾	24½	27
New York Central	119¾	120	119¾	118¾	111¼	109¾	113
Erie	83¾	84	85¼	85	78	72¾	71¾
Hudson River	....	125	125¾	....	123¼	122	....
Reading	115¾	115¾	117	117	113¾	112¾	111¾
Michigan Southern	90¼	92¾	93¾	91¼	85¼	84¼	81¾
Michigan Central	....	....	116¼	115	113	111	113¾
Cleveland and Pittsburg	91¼	92¼	94	92¼	87¾	88¼	85
Cleveland and Toledo	120	120	120¼	119¼	114	112	113¾
Northwestern	51¼	57¼	56¾	57¾	52	41¾	45
" preferred	76	80¼	80¾	79¾	74¼	70¾	78
Rock Island	108¾	109¼	111¼	110¼	106¾	102¼	104¼
Fort Wayne	109¾	109¾	111¼	109¾	106¼	103	105¾
Illinois Central	127	125½	126½	124½	122	119	119

The following are the rates of loans and discounts during the month :

RATES OF LOANS AND DISCOUNTS.

	Nov. 2.	Nov. 9.	Nov. 16.	Nov. 23.	Nov. 30.
Call loans	4 @ 5	4½@ –	5 @ 6	7 @ –	5 @ 7
Loans on Bonds and Mortgage	6 @ 7	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos	8½@ –	3½@ 5	6 @ –	7 @ –	6 @ –
Good endorsed bills, 3 & 4 mos	5½@ 6½	4 @ –	6½@ –	7 @ 7½	6½@ 7½
" " single names	– @ 7	4½@ 5	– @ 7	7 @ 8	7 @ 8
Lower grades	9 @12	9 @12	9 @12	8 @10	8 @10

The price of Government securities has fluctuated in sympathy with the change in the premium on gold ; with every fall in price, however, there has been an active demand from the interior, which has induced a prompt recovery. The price of Five-twenties at London has advanced from 68½, at the opening of the month, to 70¾, notwithstanding that free shipments of bonds have been made from this side. The following table shows the daily prices of consols and American securities at London on each day of the month :

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON – NOVEMBER, 1866.

Date.	Cons for mon.	Am. securities U. S. 5-20s	Ill. C. sh's.	Erie shs.	Date.	Cons for mon.	Am. securities. U S. 5-20s	Ill. C. sh's.	Erie sh's.
Thursday 1		Holi	day.		Sunday 18	...	...	....	....
Friday 2	89¼	68¾	77¼	51¼	Monday 19	90¼	70¼	78¼	50
Saturday 3	89¼	68¾	77¼	51¾	Tuesday 20	90¼	70¼	78¼	50
Sunday 4	....	....	....	....	Wednesday 21	90¼	70¼	78¾	50
Monday 5	89¼	68¼	77	50¾	Thursday 22	90	70¼	78¾	50¼
Tuesday 6	89¼	68¼	76¾	50¾	Friday 23	90	70¾	78¼	50¼
Wednesday 7	89¼	68¼	77	51	Saturday 24	90	70¾	78	48¾
Thursday 8	89¼	69	77	50¾	Sunday 25	....	....	....	....
Friday 9	89¼	69	77	52	Monday 26	89¾	70¾	77¼	47¼
Saturday 10	89¼	69	77	52	Tuesday 27	89¾	70¼	78	48
Sunday 11	....	....	....	....	Wednesday 28	89¼	70¼	76¾	47
Monday 12	89¼	69¼	77¼	52	Thursday 29	(Th	anks	giving	g.)
Tuesday 13	89¼	69¼	78	52	Friday 30	89¼	70	76¼	46
Wednesday 14	90	70	78	51					
Thursday 15	90	70¼	78	51¼	Highest	90¼	70¾	78¾	51¾
Friday 16	90¼	70	77¾	49¾	Lowest	89¼	68¾	76¼	40
Saturday 17	90¼	70¼	77¾	49¼	Range	1	2¼	2¼	5¾

The prices of Government securities at New York on each day of the month have been as follows :

PRICES OF GOVERNMENT SECURITIES, NOVEMBER, 1866.

Day of month.	6's, 1881. Coup.	6's, 1881. Reg.	6's, 5-20 yrs. Coup.	6's, 5-20 yrs. Reg.	5's, 10-40 yrs. Coup.	5's, 10-40 yrs. Reg.	7-30's. 1867
Thursday 1	....	.....	110¾	.....	100¾	....	107
Friday 2	114¼	.....	110¾	...	100¾	....	107¾
Saturday 3	114¼	.....	110¾	.....	.....	100¼	107¾
Sunday 4	.....	.....	.....	.....	.....	.....	.....
Monday 5	114¾	114¾	110¾	107¾	100¼	....	107¾
Tuesday 6	114¾	.....	110¾	107¾	100¾	100¾	108¼

Wednesday	7	114⅝	114⅝	110⅜	108	100⅝	100⅝	107
Thursday	8	114⅝	.....	110⅜	....	100⅜	....	108
Friday	9	114⅝	. ...	110⅜	.....	100⅜	....	107⅜
Saturday	10	114⅝	.....	110⅜	.....	100⅜	....	107⅜
Sunday	11	.....	.....	.....	.....	.....	....	.....
Monday	12	.....	.....	109⅜	.....	100⅜	....	107⅜
Tuesday	13	114⅛	114⅛	110⅜	....	.....	.....	.....
Wednesday	14	114	.....	110⅜	.	100⅜	100⅜	107⅜
Thursday	15	114⅛	.....	109⅜	.....	100⅜	100⅜	107⅜
Friday	16	113⅜	. .	109⅜	107	100⅜	....	106⅝
Saturday	17	113⅜	112⅛	108⅜	.....	.....	....	106⅜
Sunday	18	.....	.....	.....	.....	.	....	.....
Monday	19	112⅜	.....	108⅜	.....	100	....	105⅝
Tuesday	20	113	.....	108⅜	.....	100⅜	....	106⅛
Wednesday	21	112⅜	.....	108⅝	....	100⅜	..	105⅝
Thursday	22	112	....	107⅜	106	99⅜	...	105⅜
Friday	23	112⅛	112	108⅜	106	99⅜	....	105⅛
Saturday	24	112⅜	.....	106⅜	106⅜	99⅜	....	105⅜
Sunday	25	.....	.....	.....	.....	.....	....	.....
Monday	26	112⅝	112⅜	109	107	100	....	.....
Tuesday	27	.	.....	109	107	100	....	105⅜
Wednesday	28	113	112⅜	108⅜	106⅜	100	....	105⅜
Thursday	29	(National Thanksgiving Day. No business.)						
Friday	30	113	112⅜	108⅜	.....	100	....	.. ..
Opening		113⅜	114⅜	110⅜	107⅜	100⅜	100⅜	107
Highest		114⅝	114⅜	110⅜	108	100⅜	100⅜	108⅛
Lowest		112	112	107⅜	106	99⅜	100⅜	105⅛
Closing		113	112⅜	108⅞	106⅜	100	100	105⅞

The following shows the range of daily closing prices for government securities, monthly and for the first eleven months of the current year:

		6s 1881		6s (5-20s)		5(10-40)		7-3'10	Certifi-
		Coup.	Reg.	Coup.	Reg.	Coup.	Reg.	1867.	cates
January	Highest	104⅝	104⅜	105	102⅜	93⅝	93⅜	99⅜	98⅜
	Lowest	103⅝	103⅜	101⅝	101⅜	92⅜	93	98⅜	98⅛
February	Highest	104⅛	104⅛	103⅜	103⅛	94⅛	91⅛	99⅛	98⅝
	Lowest	103⅜	1 3⅜	102⅜	102⅜	93⅛	91⅛	99⅛	98⅜
March	Highest	105⅜	105	104⅜	104	92⅜	91	101⅛	99⅜
	Low st	104⅛	104⅛	103	103	90	90⅛	99⅛	98⅜
April	Highest	108⅜	10 ⅜	106⅛	102⅜	96⅛	96⅛	100⅜	101⅛
	Lowest	104⅜	104⅜	103	100⅜	91⅜	91⅜	100⅜	99⅜
May	Highest	109⅜	109⅜	102⅜	10 ⅜	96⅜	96⅜	102⅜	100⅛
	Lowest	108	108	100⅜	101⅛	94⅛	94⅜	101⅛	100⅜
June	Highest	110⅜	107	104⅛	10⅜	97⅜	96⅛	103⅛	100⅜
	Lowest	109⅜	105⅜	102	1 2⅜	96⅜	96⅛	102⅛	100⅜
July	Hi hest	110	109⅜	108⅜	106⅛	99	98⅜	103⅜	....
	Lowest	108⅜	108⅜	104⅜	103	97⅜	98⅜	103	....
August	Highest	113⅜	112	113⅜	109	103⅛	98⅜	107⅜	....
	Lowest	109⅜	10 ⅜	108⅛	105⅛	99	95⅜	104	....
September	Highest	11	112	112⅜	108⅜	99⅛	99	107⅜	....
	Lowest	111	111	111⅛	108	97⅜	99⅛	105⅜	....
October	Highest	113⅜	113⅜	11 ⅜	106⅛	100⅜	100⅜	107	
	Lowest	111⅜	111⅜	111⅛	105⅞	99⅜	99⅜	106	....
November	Highest	11 ⅜	114⅛	110⅞	08	100⅜	100⅜	108⅛	....
	Lowest	112	112	107⅜	106	99⅛	100⅜	105⅛	.....
11 months	January 2	104⅛	103⅜	105	102⅜	93⅜	93⅛	99⅜	98⅜
	Highest	114⅜	114⅜	113⅜	109	100⅜	100⅜	10 ⅜	100⅛
	Lowest	103⅜	103⅜	101⅜	101⅜	90	90⅜	98⅜	98⅜
	Latest	113	112⅜	106⅜	106⅜	100	100	105⅞	100⅜

The quotations for Three years Compound Interest Notes on each Tuesday of the month have been as follows:

Issue of—	Nov. 1.	Nov. 8.	Nov. 15.	Nov. 22.	Nov. 29.*
June, 1864	116⅛@117⅛	116⅜@117	116⅛@116⅜	115 @114⅛	116 @116⅛
July, 1864	116⅛@116⅜	116⅛@11 ⅛	116 @116⅛	114⅜@114⅜	115⅛@115⅜
Aug. 1864	115⅛@116⅜	115 @116	115⅛@115⅜	114 @114⅛	115 @115⅛
Oct. 1864	114⅞ @115⅛	114⅜@115	114⅛@114⅜	113 @113⅛	114 @114⅛
Dec. 1864	113⅞@114⅛	113⅜@114	113⅛@113⅜	112 @112⅛	113 @113⅛
May, 1865	112⅛@112⅛	112⅜@112⅛	112 @112⅛	111 @111⅛	111⅛@111⅜
Aug. 1865	110⅜@111	110⅜@111	110⅜@110⅝	110 @110⅜	110⅛@110⅜
Sept, 1865	110⅛@110⅜	110⅛@110⅜	110 @110⅛	109⅜@109⅝	109⅜@110
Oct., 1865	110 @110⅛	109⅜@110	109⅜@109⅜	109 @109⅛	109⅜@109⅝

* Wednesday, Thursday being Thanksgiving.

Gold has steadily fallen in price since the opening of the month, the highest

price having been 148¾ and the lowest 137¾. The decline appears to be chiefly attributable to the payment of the November coupons, according to about $24,000,000, together with the export movement having been much more limited than was anticipated. The Treasury has sold about $3,500,000 during the month, making a total supply from that source of about $27,500,000. This very large addition to the supply has placed gold beyond the control of speculative cliques, and the premium is consequently left to take its natural bent. During the present week the premium showed considerable firmness under rumors of complications with France upon the Mexican question, but the effect was only temporary:

COURSE OF GOLD FOR NOVEMBER.

Date.	Open'g	High'st.	Lowest.	Closing.	Date.	Open'g	High'st.	Lowest.	Closing.
Thursday..... 1	146¾	147¾	146¾	146⅞	Monday..... 19	141	141⅞	140	141¾
Friday..... 2	147	147⅛	146¾	147⅛	Tuesday..... 20	141¼	141¾	141¼	141¼
Saturday..... 3	147⅛	148⅜	147⅛	148⅛	Wednesday..... 21	141¼	141½	139¾	139¾
Sunday..... 4	.....	.....	.....	.....	Thursday..... 22	138¾	138¾	137¾	138¼
Monday..... 5	148⅜	148¾	147¾	148⅜	Friday..... 23	138¾	139¼	138¾	138¾
Tuesday..... 6	148¼	148¾	147⅜	147⅜	Saturday..... 24	138¾	139¾	138½	138¾
Wednesday..... 7	148	148	146¾	146⅜	Sunday..... 25	.....	.....	.....	.....
Thursday..... 8	146¾	146¾	146½	146⅜	Monday..... 26	138¾	140¾	138¾	140¾
Friday..... 9	146¾	146¾	146	146¼	Tuesday..... 27	141½	143⅜	140¾	142¾
Saturday..... 10	146	146	144¾	144¾	Wednesday..... 28	142¾	142¾	141	141¾
Sunday..... 11	.....	.....	.....	.....	Thursday..... 29	(Thanksgiving.)			
Monday..... 12	144¾	144⅝	143¾	144⅝	Friday..... 30	140¾	141¾	140¾	141¾
Tuesday..... 13	144¾	145⅜	144¾	144¾					
Wednesday..... 14	144⅝	145⅜	144¾	144⅞	Nov ...1866.....	146¾	148¾	138½	141¾
Thursday..... 15	144¾	144¾	143⅝	143⅝	" 1865..	145¾	148¾	145¾	147¾
Friday..... 16	143⅝	143⅝	142¾	143⅞	" 1864.....	238½	260	210	230
Saturday..... 17	142¾	142⅝	141	141¾	" 1863.....	146	154	143	148¾
Sunday..... 18	.....	.....	.....	.....	" 1862.....	129¾	133¾	129	129

MOVEMENT OF TREASURE AT NEW YORK.

Months, &c.	New Supply. California.	New Supply. Foreign.	New Supply. Total.	Exports to for. ports.	Excess of Supply.	Excess of Export.
January.....	$1,485,314	$72,771	$1,558,085	$2,706,336	$.....	$1,148,249
February.....	3,603,000	172,123	3,775,123	1,807,030	1,968,092	.....
March.....	3,958,291	285,854	4,244,145	1,045,039	3,199,106	.....
April.....	1,539,321	161,817	1,701,138	588,875	1,112,263	.....
May.....	3,992,148	393,073	4,385,221	23,744,194	.....	19,358,973
June.....	1,842,271	94,549	1,936,820	15,890,956	.....	13,954,136
July.....	6,754,669	345,961	7,100,630	5,821,459	1,278,171	.....
August.....	4,477,659	269,221	4,746,880	1,587,851	3,159,029	.....
September.....	2,584,432	5,193,473	8,077,905	834,550	7,243,355	.....
October.....	4,902,207	1,434,158	6,336,365	1,463,450	4,872,915	.....
November.....	1,669,391	1,795,618	2,465,009	3,492,422	.....	1,027,412
Jan.-Nov. '66.....	$37,108,704	$9,218,617	$46,327,321	$58,983,163	$.....	$12,654,841
do do '65.....	18,185,503	2,009,927	20,195,430	27,251,522	.....	7,056,092
do do '64.....	10,702,124	2,150,506	12,852,670	44,699,745	.....	31,847,075
do do '63.....	11,349,632	1,409,318	12,758,950	44,495,008	.....	31,736,053
do do '62.....	23,644,160	1,311,961	24,956,121	55,763,909	.....	30,877,788
do do '61.....	31,801,560	36,729,883	68,531,443	3,343,237	65,188,206	.....
do do '60.....	30,449,420	2,678,289	33,127,709	41,988,770	.....	8,861,061
do do '59.....	36,315,057	2,631,787	38,947,844	67,653,737	.....	28,705,893

The Treasure Movement at New York weekly, and the amount in Banks at the close of each week since January 1, has been as follows:

TREASURE MOVEMENT FOR 1866.

1866. week ending	Receipts. from California.	Exports. to foreign countries.	Sub-Treasury. Customs receipts.	Sub-Treasury. Interest payments.	Sub-Treasury. Gold Certificates issued.	Sub-Treasury. Gold Certificates returned.	In banks at close of week.
Jan. 6.....	.....	$552,027	$2,107,341	$3,597,940	$3,122,440	$1,34,8832	$15,778,741
" 13.....	$685,610	640,503	2,334,694	1,130,789	3,206,180	1,578,194	16,852,568
" 20.....	799,706	685,894	2,754,369	574,162	2,706,400	1,928,641	15,265,393
" 27.....	.....	656,813	3,226,040	279,842	2,596,400	2,137,048	13,106,750
Feb. 3.....	944,878	292,568	3'347,422	115,904	2,081,280	2,221,423	10,937,474
" 10.....	1,449,974	443,499	3,251,734	120,179	1,916,700	2,376,735	10,129,886

" 17	.....	445,489	2,893,008	94,828	2.992,900	2,158,009	10,306,756
" 24	1,209,048	560,198	2,606,796	119,879	5,893,280	1,995,796	14,212,251
Mar. 3	.....	75,453	3,386,934	1,183,343	2,125,000	2,664,934	17,191,130
" 10	1,469,286	556,284	2,297,836	882,712	2,101,000	1,706,835	16,563,237
" 17	1,425,353	236,671	2,464,482	328,593	1,498,400	1,919,483	15,015,942
" 24	389,837	170,297	2,509,419	174,911	361,280	1,886,419	13,945,651
" 31	673,615	3,500	2,451,345	225,414	1,376,000	1,895,334	11,280,[illegible]
Apr. 7	.....	216,842	2,563 010	63.140	3,016,840	2,120,100	11,436,295
" 14	729,862	122,628	2,857,704	49,800	5,038,460	2,274,704	11,085,139
" 21	809,459	117,312	2.535,568	35.169	4,201,000	1,971,568	9,495,481
" 28	.....	73,880	2,346,307	40,506	4,137,140	1,760,307	8,243,937
May 5	1,318,271	1,247,249	2,711,181	7,061,900	4,653,000	2,227,181	10,914,997
" 12	1,072,890	1,064,496	2,417,391	2,648,000	3,110,000	1,948,391	13,970,402
" 19	....	8,763,295	2,542,814	1,702,000	2,842,000	2,069,814	13,595,465
" 26	1,276,505	9,421,766	2,358,455	940,100	9,177,000	1,929,454	19,376,929
June2	324,562	6,870,997	2,182,895	70.500	1,337,000	1,911,395	28,868,092
" 9	949,906	4,220,756	2,141,086	283,800	2,626,000	1,863,087	15,821,663
" 16	.....	6,055,743	2,071,621	67,000	3,719.000	1,788,621	11,217,305
" 23	892,365	1,408,286	2,209,676	106,134	2,793,000	1,809,676	8,504,096
" 30	.....	550.574	2,002,265	298,748	3,232,000	2,309 264	7,797,218
July 7	1,617,899	1,630,730	2,471,626	3,964,634	4,174,000	2,081,626	9,865,266
" 14	1,429,833	2,239,270	2,486,296	1,267,600	3,614,400	2,182,226	12,451,664
" 21	2,051,456	416,013	2,480,149	394,100	2,452,000	2,187,149	10,950,140
" 28	.....	1,515,446	2,926 834	277,044	2,120,000	2,54 ,884	9,70 .547
Aug. 4	1,755,481	530,174	2,794,658	1.5,500	1,8-9,000	2,400,658	9,448,900
" 11	.....	152,375	2,676,333	61,400	970,000	2,328.331	8,494,290
" 18	.....	117,990	2,461,877	50,300	2,064,000	2,145,876	7,545,514
" 25	3,091,601	787,312	3,069,893	60,937	2,188,000	2,545,893	6,884,[illegible]75
Sep. 1	....	303,912	3,199.168	241,000	2.265,000	2,853,168	6,381,607
" 8	.....	157,062	3 222,266	1,935,108	8,005.000	2,766,265	7,455,910
" 15	1,669,359	197,226	3,105,457	262,000	1,494,000	2,807,457	7,357,360
" 22	1,215.073	112,500	2,399,2 0	95,400	3,973,000	2,148,270	7,662,619
" 29	....	38,240	2,876,777	281,706	1,701,000	2,750,717	7,643,961
Oct. 6	1,109,537	224,385	2.266,834	270,000	2.382,000	1.924,334	6,203,690
" 13	1,135 093	198,050	2,546,361	198,050	2,382,000	2,175,361	5,576,008
" 20	1,428,705	66,202	2,629,828	66,202	1,692,000	2,361,829	7,371,482
" 27	.....	523,198	2,460,886	458,198	2,877,140	2,223,886	7,848,287
Nov. 3	1,228,869	947,441	2,262,774	3,285,000	7,283,000	2,084,774	9,186 629
" 10	555,776	1,037,350	2,055,292	3,712,000	4,170,000	1,851,292	13,145,3-3
" 17	.....	526,385	1,964,529	1,643,000	2,094,000	1,721,53[illegible]	15,511,121
" 24	1,113,615	781,865	1,624,704	1,080,300	2,280,000	1,450,705	15,202,851

The course of Foreign Exchange has varied materially from the general anticipation. It was taken for granted that the remittances on account of coupons forwarded from Europe for collection and the payments of importers would call for a very large supply of bills, causing rates to advance beyond the specie shipping point. Although there has been a light supply of New York bills and of Southern cotton bills, yet this expectation has not been realized, the rates having but for one or two days ruled at figures admitting of specie remittances. Quotations, however, have at periods been high enough to allow of moderate shipments of bullion:

COURSE OF FOREIGN EXCHANGE FOR NOVEMBER, 1866.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1	109⅜@109⅝	516¼@513¾	41⅛@41⅜	79⅛@79¾	36 @36⅛	72⅛@73
2	109⅛@109⅜	516¾@515	41 @41⅛	79⅛@79¾	36⅛@36⅛	72⅛@73
3	109⅛@109⅜	517⅛@515	40⅞@41⅛	79⅛@79¾	36 @36⅛	72⅛@72⅝
4	.....	.....	.....	.....	.....	.....
5	109⅛@109⅜	516¼@511¾	41 @41⅛	79⅛@79¾	36⅛@37	72⅛@73
6	109⅜@109⅝	516¼@515¾	41⅛@41⅜	79 @79¾	36⅛@36⅝	72⅛@72⅝
7	109⅛@109⅜	516¼@515¾	41⅛@41⅜	79⅛@79¾	36⅛@36⅝	72⅛@73⅛
8	109⅜@109⅝	516¼@515¾	41⅛@41⅜	79 @79¾	36⅛@36⅜	72⅛@72⅝
9	109 @109⅜	516¼@515	41 @41⅛	79⅛@79¾	36⅛@36⅜	72⅛@72⅝
10	109 @109⅛	518¾@516	40⅞@41	78⅞@79¼	36⅛@36⅜	72 @72⅛
11	.....	.....	.....	.....	.....	.....
12	109 @109⅛	517⅛@515	41 @41⅛	79 @79⅛	36⅛@36⅜	72⅛@72⅝
13	109 @109⅛	516¼@515	41⅛@41⅜	79 @79¼	36⅛@36⅜	72⅛@72⅝
14	109 @109⅛	518¾@515	41⅛@41⅜	79 @79⅛	36⅛@36⅜	72⅛@72⅝
15	109 @109⅛	516¼@515	41⅛@41⅜	79 @79¼	36⅛@36⅜	72⅛@72⅝
16	109 @109⅛	516¼@515	41⅛@41⅜	79 @79¼	36⅛@36⅜	72⅛@72⅝
17	108¾@109	522¼@517¼	40⅝@41¼	78¾@78¾	36⅛@36⅜	71⅛@72⅛
18	.....	.....	.....	.....	.....	.....
19	108¾@109	522¼@517¼	40⅝@41¼	78¾@78¾	36⅛@36⅜	71⅛@72⅛
20	109¼@109¾	517¼@516¾	40⅝@41¼	78¾@78¾	36⅛@36⅜	71⅛@72⅛

21..	108¾@109	523¾@516¼	40¾@41¼	78¾@78¾	36½@36¾	71¾@72¼	
23.	108¾@109	518¾@517¼	41 @41¼	78¾@79	36¼@36¼	72 @72¼	
25.	109¼@108¾	516¾@515	41¾@41¾	79 @79¼	36¾@36½	72¼@72¾	
24.	109 @109¾	521¾@516¼	41 @41¼	78½@79	36¼@36½	71¾@72½	
25.							
26..	109¼@109¾	516¼@515	41¼@41¼	79 @79¼	36¼@36¾	72 @72¼	
27.	109¼@109¼	517½@513¾	41¼@41¾	79 @79¼	36¾@36½	72¼@72¾	
28.	109¼@109¾	517½@513¾	41 @41¼	78¾@79¼	36¼@36¼	72 @72¾	
29..		National Thanksgiving Day. No business.					
30.	109¼@109¾	516¼@513¾	41¼@41¼	79 @79¼	36½@36¾	72 @72¼	
Nov. ..	108¾@109¾	235¼@511¾	40¾@41¾	78¾@79¾	36 @37	71¾@73	
Oct.	106¼@109¾	585 @513¾	39¼@41¼	76½@79¾	35 @37	70 @73¼	
Sep.	105¾@108¾	545 @513¾	39 @41¼	75¼@78¾	35 @36¼	68 @72	
Aug.	105¾@108¼	545 @517¾	39 @41	75 @79	34¼@37	68 @73	
July	107¼@109¾	595 @507¼	40 @42	77 @79	36 @37¾	72 @75¼	
June	107¾@110	205 @507¼	40 @42¼	77 @80¼	35¾@37½	73 @76	
May	108¾@109¾	520 @510	40¾@42¾	78¼@80	36 @37¼	74 @74	
Apr.	106¼@108¾	587½@517¾	39½@41	76¼@78¼	35 @36¾	69¾@71¾	
Mar.	106¾@108¾	530@ 518¾	40 @41	77 @78¾	35¼@36¾	70¾@71¾	
Feb.	107¼@108¾	532¼@517¾	40¼@41	77 @79	35½@36½	70½@71¾	
Jan.	108 @109¼	523¾@515	40½@41	78 @79¼	36 @36¼	71 @71¾	
11 m	105½@110	545 @507¼	39 @42¼	75 @80¼	34½@37½	68 @75¼	

The gross earnings of the undermentioned railroads for the month of October, 1865 and 1866, comparatively, and the difference (increase or decrease) between the two years are exhibited in the following statement:

Railroads.	1865.	1866.		Differ'ce
Atlantic and Great Western	$587,121	$541,491	Dec.	$45,630
Chicago and Alton	357,956	347,085	Dec.	10,871
Chicago and Great Eastern	113,992	126,997	Inc..	13,005
Chicago and Northwestern	923,836	1,210,654	Inc..	286,768
Chicago, Rock Island & Pacific	366,265	422,124	Inc..	55,859
Erie (including Buffalo Division)	1,580,317	1,480,261	Dec.	100,056
Illinois Central	641,589	639,195	Dec.	2,394
Marietta and Cincinnati	116,495	111,444	Dec.	5,051
Michigan Central	490,693	493,640	Inc..	2,947
Michigan Southern	524,760	500,404	Dec.	24,356
Milwaukee and Prairie du Chien	310,594	286,133	Dec.	24,461
Milwaukee and St. Paul	395,579	416,138	Inc..	20,559
Ohio and Mississippi	372,618	310,762	Dec.	61,856
Pittsburg, Fort Wayne & Chic.	858,501	741,918	Dec.	116,583
Toledo, Wabash and Western	375,534	436,065	Inc..	60,531
Western Union	92,724	1'0,303	Inc..	7,579
Total (16 roads)	$8,108,623	$8,284,844	Inc..	$176,22

The earnings of the same roads for the first ten months of the same years are shown in the following table:

Railroads.	1865.	1866.		Difference
Atlantic and Great Western	$4,385,704	$4,682,528	Inc..	$296,824
Chicago and Alton	3,295,348	3,069,631	Dec.	225,717
Chicago and Great Eastern	891,346	1,047,841	Inc..	156,495
Chicago and Northwestern	6,665,181	7,386,635	Inc..	628,915
Chicago, Rock Is. and Pacific	2,900,404	2,788,272	D c.	112,132
Erie (including Buffalo Division)	13,338,454	12,124,983	Dec.	1,213,471
Illinois Central	6,020,233	5,329,710	Dec.	690,523
Marietta and Cincinnati	964,211	1,002,919	Inc..	38,708
Michi an Central	3,728,008	3,436,797	Dec.	291,211
Michigan Southern	3,979,851	3,887,275	Dec.	92,576
Milwaukee and Prairie du Chien	1,648,968	1,640,691	Dec.	8,277
Milwaukee and St. Paul	2,017,159	2,077,944	Inc..	60,785
Ohio and Mississippi	3,096,133	2,796,544	Dec.	299,589
Pittsburg, Ft. Wayne & Chicago	7,186,737	6,208,179	Dec.	978,558
Toledo, Wabash and Western	2,318,045	3,075,404	Inc..	757,359
Western Union	589,783	684,320	Inc..	94,537
Total (16 roads)	$63,025,565	$61,240,673	Dec.	$1,784,892

The aggregate earnings of these sixteen railroads in October, as compared with those of the previous month, show the following result:

	1865.	1866.		Difference.
October	$8,108,623	$8,284,844	Inc..	$176,221
September	7,762,949	7,063,488	Dec.	699,461
Increase in October	$345,674	$1,221,356	Inc..	$875,682
do do per cent	4.45	17.29		

These results are exceedingly favorable. They show that October has been the best month of the current year, the aggregate earnings having increased over the earnings of September 17.29 per cent., and over those of October, 1865, 2.17 per cent. The net aggregate result of the ten months shows a falling off from last year to the amount of $1,784,892, or 2.82 per cent. The principal loosing roads so far, have been the Erie, the Illinois Central, and the Pittsburg, Fort Wayne and Chicago.

JOURNAL OF BANKING, CURRENCY, AND FINANCE

Returns of the New York, Philadelphia, and Boston Banks—National Banks.

Below we give the returns of the Banks of the three cities for the past month :

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
Jan. 6, 1866...	$233,185,059	$15,778,741	$18,588,428	$195,482,254	$71,617,487	$370,617,6[illegible]
" 13.....	234,988,193	16,852,568	19,162,917	197,766,999	73,019,957	608,082,837
" 20.....	239,337,726	15,265,327	20,475,707	198,816,248	72,799,892	588,949,311
" 27.....	240,407,886	13,106,759	20,965,888	195,012,454	70,319,146	516,323,672
Feb. 3.....	242,510,382	10,937,474	21,494,234	191,011,695	68,796,250	508,569,128
" 10.....	242,608,872	10,129,806	22,240,469	188,701,463	68,436,013	493,431,033
" 17.....	243,068,252	10,308,758	22,983,274	189,777,290	64,802,980	471,886,751
" 24.....	239,776,200	14,213,851	22,959,918	183,241,404	61,602,726	497,150,087
Mar. 3.....	235,339,412	17,181,130	22,994,086	181,444,378	58,760,145	526,539,269
" 10.....	233,068,274	16,563,237	23,033,237	180,515,881	64,341,802	594,204,913
" 17.....	233,517,378	15,015 242	23,303,057	185,488,707	68,402,764	579,216,509
" 24.....	234,500,518	13,945,651	23,243,406	185,868,945	69,496,033	593,448,864
" 31.....	237,316,099	11,930,393	23,736,584	188,554,592	72,158,099	529,240,640
Apr. 7.....	242,643,753	11,486,295	24,127,061	189,094,961	71,445,015	602,315,749
" 14.....	244,009,839	11,035,129	24,538,981	193,153,469	73,910,370	578,587,852
" 21.....	242 067,063	9,495,463	24,045,857	196,808,578	77,602,688	535,834,778
" 28.....	245,017,692	8,243,937	25,377,280	202,718,574	80,589,022	545,339,668
May 5.....	253,974,134	10,914,997	25,415,677	210,378,303	81,204,447	603,556,177
" 12	257,621,317	13,970,402	24,693,259	217,552,853	85,040,659	523,093,538
" 19.....	255,690,463	13,595,465	25,189,864	217,427,729	85,710,107	579,342,486
" 26.....	257,969,598	19,736,929	25,228,867	208,977,905	78,829,947	713,575,444
June 2.....	250,959,022	21,858,093	26,244,255	198,127,289	69,188,192	713,575,444
" 9..... .	249,538,959	15,821,668	25,967,253	202,503,949	74,628,674	633,656,381
" 16..... ...	247,301,547	11,217,805	25,887,876	202,415,678	79,179,304	613,698,301
" 23.....	248,436,808	8,504,096	26,585,394	201,969,288	80,840,578	696,447,639
" 30.....	250,881,168	7,797,213	26,706,622	204,257,272	81,882,640	568,842,498
July 7.....	257,534,833	9,865,266	27,296,530	205,799,611	79,541,688	511,182,914
" 14...	259,133,434	12,451,684	27,804,172	207,160,043	75,541,977	637,655,787
" 21.....	255,965,018	10,860,147	27,579,020	213,049,079	80,524,992	598,705,726
" 28.....	256,612,071	9,701,046	27,249,812	214,583,926	84,705,814	430,324,806
Aug. 4.....	256,808,717	9,448,900	27,311,549	214,156,705	86,235,079	523,226,814
" 11.....	258,263,063	8,424,209	27,528,522	214,232,263	86,861,834	494,810,975
" 18.....	261,951,924	7,545,513	27,796,904	214,310,576	84,804,071	554,655,346
" 25.....	265,901,065	6,884,077	27,958,464	218,119,450	86,283,483	617,950,350
Sept. 1.....	265,899,607	6,381,600	27,807,834	225,191,282	92,[illegible]22,808	586,[illegible]64,052
" 8.....	26[illegible],941,668	7 45 ,910	28,506,288	225,107.991	90,194,254	591, 0[illegible]135
" 15..... .	270,806, 04	7,357 369	29,360,371	[illegible] 4,844,647	90,778,232	567,299,212
" 22.....	272,177,166	7,662,611	28,770,331	224.394,663	90,428 189	605,290,494
" 29.....	269,807,383	7,643,960	29,218,950	223,336,785	87,826.21	.....
Oct. 6.....	274,210,161	6,203,693	29,202,358	[illegible]28,484,780	85,339,679	899,081,759
" 13.....	276,448,219	5,576,002	30,176,908	226,358,897	83,189,422	770,359,909
" 20.....	279,135,796	7,371,487	30,415,240	225,083,853	78,625,469	824,721,933
" 27	274,725,456	7,84 ,239	30,243,487	223,540,573	78,064,925	762,264,041
Nov. 3.....	271,790,4[illegible]5	9,18[illegible],623	30,466,207	224,841,695	74,99[illegible],[illegible]42	761,[illegible]84,458
" 10	275,[illegible]98,288	13,145,[illegible]81	30,968,940	226,325,[illegible]17	71,512,495	776,604,339
" 17.....	273,8 8,899	15,511,121	31,233,502	221,892,500	68,120,361	842,575,299
" 24.....	267,930,415	15,202,56[illegible]	31,361,418	218,414,984	62,359,254	917,436,576

The Philadelphia Banks returns for the month are as follows :

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
Jan. 2, 1866.....	$17,181,229	$45,941,001	$890,822	$7,226,369	$35,342,306
" 8.....	17,236,320	46,774,150	983,685	7,319,528	36,618,004
" 15.....	17,267,412	47,350,423	1,007,186	7,357,973	36,947,700
" 22.....	17,052.559	47,254,622	1,012,980	7,411,337	36,214,653
" 29.....	16,244,277	47,607,558	1,008,825	7,432,534	35,460,881
Feb. 3.....	16,481,005	47,223,661	1,000,689	7,668,365	34,681,135

" 10	16,852,787	47,249,383	996,312	7,819,599	34,464,079	
" 17	16,777,175	46,981,337	953,207	7,843,002	33,926,543	
" 24	17,282,602	46,865,5[illegible]2	1,026,408	7,732,070	33,052,252	
Mar. 3	17,447,635	46,604,752	1,041,392	8,101,049	32,885,094	
" 10	17,292,534	46,546,878	1,055,694	8,248,100	32,504,506	
" 17	16,375,606	46,690,788	1,026,068	8,438,184	32,102,427	
" 24	15,969,814	46,642,150	981,932	8,580,200	32,144,250	
" 31	15,954,832	46,043,488	990,630	8,666,230	32,257,652	
April 7	16,632,238	46,028,641	946,282	8,720,270	32,762,280	
" 14	18,323,759	45,114,699	949,116	8,743,396	31,640,861	
" 21	18,660,513	45,762,733	936,876	8,761,213	35,448,955	
" 28	18,949,719	46,832,734	890,241	8,779,166	36,032,862	
May 5	19,144,660	48,006,654	912,023	8,794,348	36,967,007	
" 12	19,646,263	48,236,256	896,741	8,931,420	38,414,586	
" 19	19,648,232	48,326,567	897,913	8,918,938	37,296,645	
" 26	19,715,093	48,036,984	867,094	8,988,742	37,078,418	
June 2	21,154,909	47,564,996	890,121	9,022,553	38,189,656	
" 9	21,568,085	48,118,897	859,633	9,007,515	38,326,984	
" 16	20,568,591	48,616,145	897,381	9,219,553	36,972,476	
" 23	21,105,316	48,166,814	899,999	9,290,094	36,715,806	
" 30	21,455,896	48,266,904	863,454	9,325,475	37,242,979	
July 7	20,516,695	48,892,594	866,961	9,431,664	38,275,768	
" 14	21,311,668	49,493,405	852,783	9,442,146	37,707,[illegible]67	
" 21	21,312,[illegible]05	49,009,316	849,770	9,427,364	37,575,560	
" 28	20,9[illegible]2,374	48,935,067	826,096	9,382,473	37,270,[illegible]85	
Aug. 4	20,393,826	49,682,529	825,978	9,516,724	37,244,084	
" 11	20,060,536	49,164,321	835,158	9,543,472	36,689,226	
" 18	19,863,685	48,530,454	811,230	9,566,788	36,942,311	
" 25	20,41[illegible],323	48,591,763	807,071	9,575,534	36,025,268	
Sept. 1	24,040,254	50,095,890	806,815	9,589 574	41,162,627	
" 8	24,184,918	50,320,068	826,345	9,608,410	41,604,903	
" 15	24,578,358	49,889,015	802,929	9,605,817	41 093,120	
" 22	24,906,925	50,[illegible]87,371	793,395	9,601,273	42,836,971	
" 29	24,073,963	51,[illegible]87,567	783,094	9,598,497	43,603,875	
Oct. 6	24, 11,480	51 242,282	769,272	9,631,868	43,800,428	
" 1[illegible]	23,377,073	51,316,490	770,676	9,689,176	43,152,028	
" 20	23,631,180	51,474,948	791, 18	9,631,498	43,345,80[illegible]	
" 27	24.149,637	50,973,[illegible]84	799,652	9,648,655	43,958,787	
Nov. 3	24,369,566	50,055,176	821,184	[illegible],669,086	44,385,162	
" 10	24,671,396	54,189,217	847,458	9,[illegible]65 040	44,217,[illegible]8	
" 17	23,452,466	51,681,666	852,095	9,67 ,236	43,45[illegible],0 6	
" 24	21,850,41[illegible]	51,897,969	893,060	9,851.089	42,622,060	

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, $41,900,000.)

	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation—National.	Circulation—State.
January 1	$91,421,477	$801,415	$19,807,300	$38,451,794	$21,497,354	$1,404,721
" 8	92,245,129	1,031,327	19,914,065	41,718,132	21,806,180	1,328,798
" 15	92,959,364	1,029,105	20,438,014	40,930,870	21,946,595	1,273,948
" 22	92,665,111	1,040,114	20,750,698	40,300,6[illegible]9	22,034,642	1,215,675
" 29	92,877,783	1,008,013	20,544,830	39,153,816	21,899,318	1,157,848
February 5	94,578,358	805,237	20,568,185	40,436,163	22,325,428	1,125,736
" 12	94,083,827	632,591	20,412,589	38,768,019	22,348,638	1,057,328
" 19	95,230,429	508,428	20,418,909	38,494,696	22,602,531	1,033,891
" 26	93,539,000	521,292	20,262,177	36,398,481	22,887,971	1,048,022
March 5	92,990,512	556,856	20,034,968	35,581,876	22,606,835	1,006,719
" 12	90,705,159	623,938	19,905,120	35,297.498	22,730,329	721,609
" 19	91,902,811	606,992	20,470,018	36,696,321	24,018,916	910,740
" 26	91,931,236	513,153	20,913,521	35,887,368	23,019,887	901,620
April 2	92,351,979	532,556	20,761,014	36,697,227	23,087,693	869,339
" 9	92,142,975	487,455	20,334,570	37,426,560	23,266,642	830,069
" 16	91,250,862	457,648	19,902,647	37,606,696	23,635,043	777,198
" 23	86,120,897	411,693	19,309,145	35,946,1[illegible]2	22,469,488	744,041
" 30	86,723,001	401,113	19,549,614	38,396,210	22,856,656	744,425
May 7	90,369,569	576,170	21,415,716	41,205,276	23 516,330	719,686
" 14	90.328,554	501,013	22,462,522	42,021,976	23,551,579	695,597
" 21	89,694,864	472,172	22,973,509	41,61 ,149	23,195,968	661,619
" 28	91,833,402	436,391	23,658,956	41.631,746	23,722,277	644,658
June 4	92 287,648	503,991	26,148,678	42,992.749	23,679,0 5	609,471
" 11	89,878,993	374,966	25,470,926	42,558,986	22,916,559	480.599
" 18*	87,568,583	371,596	24,426,749	41,992,820	21,845,977	544.941
" 25	94,336.170	323,335	25,019,436	42,587,020	23,633,008	507,371
July 16	96,047,000	453,600	21,610,000	40,4[illegible]7,000	24,145,000	413.000
" 23	95,995.866	441,689	22,786.738	40,935 853	24,057,765	401,544
" 30†	95,002.698	363,776	22,242,659	39.770,863	23,804,526	355,864
August 6	96,672,749	318,779	22,432,317	40,549,379	24.116,795	380,980
" 13	95,771,749	295.241	21.101,481	39,192,690	24,104,[illegible]97	202.734
" 20	94,915,075	333,670	20,817,159	38,619,84[illegible]	24,290,816	368,168
" 27	94,819,953	323,083	2 ,688,693	39,028,518	24,262,817	363,405
Sept. 3	95,387,808	264,863	22,071,251	39,856,[illegible]50	24,240,925	344,773

"	10	94,873,709	314,204	21,580,730	39,149,497	24,295,675	356,075
"	17	94,788,268	328,880	20,308,416	38,357,208	24,345,328	351,401
"	24	93,825,673	316,771	20,977,954	40,014,169	24,344,545	336,495
Oct.	1	93,676,868	277,706	21,037,880	42,095,214	24,288,047	343,408
"	8	94,708,912	250,638	20,612 689	43,098,520	24,329,194	340,977
"	15	95 039,3 5	240,417	19,801,819	43,330.226	24,3 9,791	337,656
"	22	95,464,225	219,302	19, 00,205	44,303,573	24,459,495	334 172
"	29	95,381,855	250, 16	19.654,386	44,194,104	24,443,519	332,462
Nov.	5	95,720.044	4 2,869	19,899.005	44,117,020	24,511,200	330,2 5
"	12	98,537,998	443,892	19,140,8 9	44,954,473	24,402.311	328,319
"	19 ...	99,622,706	486,164	18,035,014	43,543,251	24,416,151	324 435
"	26	99,898,56	569,205	17,908,763	42,647,945	24,633,970	323,076

* No returns from National Bank of Redemption. † No returns from the Traders' Bank.

The course of the National Banks has been as follows:

Date.	B'ks.	Capital.	Circulation.	Date.	B'ks.	Capital.	Circulation.
May 5..... ..	1,650	$.....	$271,202,165	Aug. 18.....	1,656	.....	288,403,775
May 12	1,650	.. ..	272,878,895	Aug. 25.....	1,658	.. ..	289,021,085
May 19.....	1,650	.....	274,653,195	Sept. 1.....	1,658	.....	289.510,830
May 26.....	1,650	414,921,479	276,540,510	Sept. 8.....	1,659	.....	29:,179,045
June 2.....	1,650	.....	277,379,660	Sept. 15	1,659	.....	291,851,315
June 9	1,650	.....	278,905,675	Sept. 22.....	1,659	.....	292,214,720
June 16.....	1,653	.....	280,263,890	Sept. 29.....	1,659	.....	293,032,903
June 23...	1,653	.....	281,234,460	Oct. 13	1,659	.....	294,072,059
June 30.....	1,653	.....	282,555,410	Oct. 20.....	1,659	.. ..	294.377,804
July 7.....	1,653	.....	283,627,605	Oct. 27.....	1,659	.....	294,636,689
July 14.....	1,654	.....	284,506,675	Nov. 3.... ...	1,659	... .	295,354,851
Ju y 21...	1,655	....	.....	Nov. 10....	1,6 9	.....	296.096,104
Aug. 4.....	1,656	$.....	$286,895,545	Nov. 17.....	1,659	.....	297,065,059
Aug. 11.....	1,656	.....	287,048,950	Nov. 24..... ..	1,659	... .	29 ,199,0.9

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The following advertisements appear in our advertising pages this month:

MERCANTILE.

Fowler & Wells—389 Broadway.
Marshall's Portrait of Abm. Lincoln—Ticknor & Fields.
L. Prang & Co.—Boston and New York—Holiday Publicat ons, etc.
Howard & Co. — 619 Broadway — Diamonds, Watc es, Holiday Gifts, etc.
Mercantile Library—Clinton Hall, Astor Place an . Eigh h St.
Ferdinand Korn—191 Fulton St.—Eau de Cologne.
Lewis Audendried & Co.—110 Broadway—Anthracite and Bituminous Coal.
Grover & Baker—495 Broadway—Sewing Machines.
A. B. Sands & Co.—139-141 William St.—Drugs
Wm. Duryea, agent—166 Fulton St.—Maizena.
J. W. Bradley—97 Chambers St.—Hoop Skirts.
Chickering & Sons—652 Broadway—Pianos.

BANKERS & BROKERS.

Tenth National Bank—836 Broadway.
Barstow, Eddy & Co.—26 Broad St.
Lockwood & Co.—94 Broadway.
Vermilye & Co.—44 Wall St.
Eugene Kelly & Co.—36 Wall St.
DeWitt, Kittle & Co.—68 Wall St.
Simon De Visser—52 Exchange Place.
Duncan, Sherman & Co.—Cor Pine & Nassau.
L. P. Morton & Co.—35 Wall Street.
Robinson & Ogden—4 Broad St.
Howe & Macy—30 Wall St.
Gilmore, Dunlap & Co.—Cincinnati.
Lewis Johnson & Co., Washington.
Ninth National Bank—363 Broadway.

INSURANCE.

Fidelity Insurance Co.—17 Broadway.
Marine—Atlantic Mut al Ins. Co.—51 Wall St.
Mercantile Mut. Ins. Co.—35 Wall St.
Orient Mutual Ins. Co.
Sun Mutual Ins. Co.—49 Wall St.
Great Western Insurance Co.
Fire—Hope Fire Ins. Co.—92 Broadway.
Germania Fire Ins. Co.—175 Broadway.
Ætna Insurance Co.—Hartford.
U. S. Life Insurance Co.—40 Wall St.

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